

# **THE ANDHRA PRADESH BUDGET MANUAL**

*(Corrected upto April, 2011)*

FINANCE DEPARTMENT  
ANDHRA PRADESH  
HYDERABAD

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## PREFACE

Classification of transactions in Government Accounts on a function-cum-programme basis was introduced from 1<sup>st</sup> April, 1974. This functional classification was evolved with the twin objectives of reflecting Government transactions in terms of functions, programmes and schemes and securing correspondence between accounting classification and plan heads of development.

2. The Budget heads of account and rules of classification prior to 1974 were not easily understood. Budget heads and plan heads (adopted by the Planning Commission for Plan purposes) did not match and meaningful comparison between these two became almost impossible. In order to obviate this and to enable easy preparation of performance budgeting, the Administrative Reforms Commission appointed by Government of India had made certain recommendations for changes to the classification of budget heads. Based on these recommendations, the Comptroller and Auditor General of India prescribed a new List of Major heads and minor heads to come into force with effect from 1<sup>st</sup> April 1974. Andhra Pradesh Government adopted these heads leaving certain functions and programmes that were not needed by the State Government (given in Appendix-XI in Part III).

3. The budget manual incorporated these new heads of account. It also presented at one place, the rules framed by the Finance Department for the guidance of estimating officers and the Departments of Secretariat in the preparation and examination of Budget Estimates and the control to be exercised on expenditure so as to ensure that expenditure does not exceed the voted amount. Five tier system of classification corresponding to Sectors, functions, programmes, schemes and object heads has come into force for the first time in country to facilitate global comparison on activities of Government. The manual is brought out in three parts. Proposed changes from time to time have been explained in Part-I of this manual. Part-II brings up to-date the various instructions to the estimating officers for the preparation and examination of the Budget Estimates. Part-III contained Appendices I to XI showing the list of Major and Minor Heads of Account Acts and Rules etc.,

4. Due to increase in the gap between classification of plan programmes and accounting classification over the years and to bring about a closer correlation between plan schemes and account heads, Government of India constituted a committee to review and rationalize the heads of account where required. We have the present accounting classification with effect from the Budget for 1987-88 as prescribed by the Controller General of Accounts in consultation with the Comptroller and Auditor General of India. The basic principles and broad structure of accounts remained as before and a few new sub-sectors have been introduced raising level from function (major head) to sub-sector. Also minor heads have become major heads because of their importance. Plan programmes have been provided at the minor head level, wherever possible such that expenditure on plan programmes could directly be extracted from accounts. The code numbers allotted to major heads have been changed from three digits to four to provide room for accommodating new functions, as and when they are evolved. The sub-major heads

have been changed to two-digit numerical code from the earlier alphabetical code and the minor heads have been allotted three digit code numbers.

5. The Government of Andhra Pradesh has taken up the Revision of Budget Manual as a part of implementation of World Bank assisted "Strengthening of Public Financial Management in Andhra Pradesh" IDF Grant.

6. This Edition is being issued by Finance Department, Government of Andhra Pradesh, Hyderabad after incorporating all the amendments as issued by the Controller General of Accounts in the form of Correction slips upto April, 2011.

7. The fourth edition has been thoroughly reviewed and revised by Sri A.V.G.K. Acharyulu, Deputy Secretary to Government (Retd.), Sri G.V. Somayajulu, Section Officer (Retd.), with the help of Sri P.V. Ramana Rao, Computer Analyst and Sri K. Hari Krishna, under the guidance of Smt. Vasudha Mishra, I.A.S., Secretary to Government (IF) and overall supervision of Sri G. Sudhir, I.A.S., Special Chief Secretary to Government.

8. If any error, inaccuracy or omission is noticed, the undersigned will be grateful and thankful if it is brought to his notice for correction in the next edition.

**G. SUDHIR**

Special Chief Secretary to Government  
Finance Department

Date: May, 2011. Government of Andhra Pradesh, Hyderabad
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## **PREFACE TO THE EARLIER EDITIONS FIRST EDITION**

The need for some far reaching reforms in the budgetary procedures has been felt for a very long time. The existing heads of account and rules of classification are not easily understood. Moreover they do not correspond to the heads of development adopted by the Planning Commission for Plan purposes with the result that a meaningful comparison of the plan and the budget becomes well nigh impossible. In order to obviate this and to enable easy preparation of performance budgeting, the Administrative Reforms Commission appointed by the Government of India made certain recommendations for changes in the existing system of classification and budgeting.

2. The Government of India appointed a team of officers to make detailed recommendations on the above lines. Based on these recommendations the Comptroller and Auditor General of India, had, under Article 150 of the Constitution prescribed a new list of major and minor heads of account, to come into force with effect from 1st April, 1974. the list of major heads and minor heads Sector-wise adopted by the State Government is at Appendix II in Part-III.

3. The present budget manual incorporates these new heads of account. It also presents on one place the rules framed by the Finance Department for the guidance of estimating officers and the Departments of the Secretariat in the preparation and examination of Budget Estimates and the control to be exercised on expenditure so as to ensure that expenditure does not exceed the voted amount.

4. The new system of heads of account to come into force on 1st April, 1974 will have a five tier classification corresponding to sectors, functions, programmes, schemes and inputs of Governmental activities.

5. The present volume is in three parts. The proposed changes in the classification have been fully explained in Part-I of this Manual. Part-II brings up to-date the various instructions to the estimating officers for the preparation and examination of the Budget Estimates. Part-III contains Appendices I to V-B., Appendices VI to IX and Forms A to M are being brought out separately.

6. If any error, inaccuracy or omission is noticed, the undersigned will be grateful and thankful if it is brought to his notice for correction in the next edition.

**N. RAMESAN,**  
Secretary to Government, Finance Department

Hyderabad,  
October, 1973.

## **SECOND EDITION**

The previous Edition of this Manual was brought out in October, 1973. The amendments issued upto 31.12.1979 have been incorporated in this edition. The Computer code numbers have also been incorporated against minor heads in Appendix-II and detailed heads in Appendix-III to this edition.

2. Appendices VI to IX and Forms A to M are being brought out separately as supplement to the Budget Manual.

3. Errors or omissions, if any, may kindly be brought to the notice of the Finance and Planning (Finance) Department, Government of Andhra Pradesh, Hyderabad.

**R.K.R. GONELA, .**

Secretary to Government, Finance Department

Dated: May, 1981,  
Government of Andhra Pradesh, Hyderabad.

## **THIRD EDITION**

The previous Edition of this Manual was brought out in May, 1981. The amendments issued upto 01.04.1987 have been incorporated in this edition. The Computer code numbers have also been incorporated against minor heads in Appendix-II and detailed heads in Appendix-III to this edition.

Errors or omissions, if any, may kindly be brought to the notice of the Finance Department, Government of Andhra Pradesh, Hyderabad.

**S. NARAYANAN,**

Secretary to Government,  
Finance Department

Dated: June, 1989,  
Government of Andhra Pradesh, Hyderabad.

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**PART - I**

THE STRUCTURE OF BUDGET AND ACCOUNTS

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# CHAPTER – 1

## GENERAL INTRODUCTION TO THE BUDGET OR THE ANNUAL FINANCIAL STATEMENT

1.1 For successful financial management, Government needs advance planning and accurate estimation. Under Art.202 of the Constitution of India a statement of the estimated receipts and expenditure of the State for each financial year has to be laid before the Legislature. This statement is known as the “Annual Financial Statement” or popularly known as ‘Budget’. The French word “Budget” means pouch that was used in those days to carry the financial statement.

1.2 The annual financial statement is shown in three parts.

- I. Consolidated Fund of the State
- II. Contingency Fund of the State and
- III. Public Account of the State

1.3 The Consolidated fund of the State is formed out of all revenues received by the Government of the State, all loans raised by that Government by the issue of treasury bills, loans / Ways and Means Advances and all moneys received by the Government in repayment of loans – See Article 266 (I) of the Constitution of India.

1.4 The transactions relating to the Consolidated Fund are accounted for in three different sections, viz.,

- a. Revenue Account
- b. Capital Account
- c. Loan Account

1.5 The Revenue Account is the account of the current income and expenditure of the State. The income is derived mainly from taxes and duties, fees for services rendered, fines and penalties, revenue from Government estates such as forests and other miscellaneous items. The Capital Account is the account of expenditure of a capital nature such as construction of buildings, laying of roads, irrigation and electricity projects. Such expenditure is met from sources other than current revenues, e.g. loans, surplus revenue of previous years, if any, and capital receipts. The loan account is the account of public debt incurred and discharged and of loans and advances made by the State Government to local bodies, employees and others and recovered from them.

1.6 The Contingency Fund of the State is in the nature of an imprest created by non-recurring contribution from the Consolidated Fund of the State. The Andhra Pradesh Contingency Fund Act had constituted the Fund, 1957 with a corpus of Rs.5 crores. The fund has been amended a number of times when need for money in the Fund was felt. The present corpus of Rs.50 crores was due to amendment in 1984 in pursuance of Article 267 (2) of the Constitution. The Contingency Fund is intended to provide advances for meeting unforeseen expenditure arising in the course of a

year, pending authorization of such expenditure by law to be passed by the State Legislature under Article 205 or 206 of the Constitution. The rules regarding the purpose for which the Contingency Fund has to be utilized, the procedure to be followed while applying for advances from the Contingency Fund, recoupment of these advances to the Fund, and also the procedure to be followed in case the advance sanctioned remain wholly or partly unutilized etc., is given in **Appendix-III** in part III.

1.7 The Public Account of the State pertains to all public moneys received by or on behalf of the State Government, which are not creditable to the Consolidated Fund of the State — See Articles 266 (2) and 283 of the Constitution of India. It comprises: -

- I. Small Savings Provident Funds, etc.
- J. Reserve Funds
- K. Deposits and Advances
- L. Suspense and Miscellaneous
- M. Remittances
- N. Cash Balance

1.8 The accounts relating to Provident Funds, Reserve Funds, Deposits and Advances record transactions in respect of which the Government act as bankers receiving amounts which they afterwards re-pay and paying out amounts which they subsequently recover. The Suspense and Miscellaneous and Remittance accounts comprise merely of adjusting heads and all entries under them are cleared eventually by adjustment under final heads. These are purely temporary and to be cleared in shortest possible time.

1.9 Article 202 (2) (b) of the Constitution requires that the estimates of expenditure embodied in the annual financial statement should distinguish expenditure on revenue account from other expenditure.

## **CHAPTER 2**

### **DEFINITIONS**

2.1 Unless there is anything repugnant in the subject or context, the terms defined in this chapter are used in the Manual in the sense here explained. Words and phrases used in the Manual which are defined in the Constitution of India or in the rules and orders framed under the Constitution bear the meanings assigned to them in those definitions:-

- (1) **Accounts or actuals of a year** are the amounts of receipts and disbursements for the financial year beginning on April 1<sup>st</sup> and ending on March 31<sup>st</sup> following, as finally recorded in the Accountant-General's books.
- (2) **Administrative approval of a scheme, proposal or work** is the formal acceptance thereof by the competent authority for the purpose of incurring expenditure thereon as and when funds permit.
- (3) **Annual Financial Statement or Budget** means the statement of the estimated receipts and expenditure of the State for each financial year to be laid before the Legislature as per Article 202 of the Constitution of India.
- (4) **Annual Fiscal Frame Work** – will be prepared for ensuing financial year taking into account the actual budget performance of the current fiscal year and also keeping in view the fiscal performance of the last financial year.
- (5) **Appropriation** means the amount authorized by the Legislature for expenditure under a major/minor/sub-head/detailed head or part of that amount placed at the disposal of a disbursing officer under a particular demand for grant (the word is also used in connection with the provision made in respect of charged expenditure).
- (6) **Appropriation Accounts** are the Accounts prepared by the Comptroller and Auditor-General of India for each grant or appropriation in which is indicated the amount of the Grant/Appropriation sanctioned and the amount spend under the Grant/Appropriation as a whole.
- (7) **Appropriation Act** – Legislation passed in accordance with the article 204 of the Constitution to provide for expenditure out of the Consolidated Fund of the State and "Appropriation Bill" means a Bill to provide for the appropriation out of the Consolidated Fund of the State of all moneys required to meet the voted as well as charged expenditure.
- (8) (a) **Budget, Basic Concept** – A Budget is a pre-determined plan, a financial and / or quantitative statement prepared prior to a defined period of time of policy to be pursued during that period for the purpose of attaining a given objective

The definition covers the following essentials:-

- i) Period of preparation
- ii) Budget period
- iii) The Objectives to be attained
- iv) Budget statements
- v) The policy to be pursued

- (b) **Budget of an organization or a business** - It is a well conceived plan intended to help in increasing production and efficiency at a reduced cost with a view to optimizing profits.
- (c) **Budget of the State Government** – It is the statement of the estimated receipts and expenditure of the State as per policy of the Government, for each financial year to be laid before the Legislature.
- (d) **Relationship between Budget and Ways and Means** – The Budget gives the estimates of receipts and disbursements for a whole financial year under various heads of accounts mentioned therein. Transactions throughout the year are not uniform, nor might the receipts and expenditure in a month or upto a period be proportional strictly to the budgeted figure for the whole year. The function of the ways and means wing is to keep a close watch over the daily cash balance of the State with the Reserve Bank of India, review the receipts and disbursements for each month under the major heads of receipts and expenditure and to initiate corrective measures not only to see that the need, if any, for taking temporary advances from the Reserve Bank of India to bridge the gap between inflow and outflow of cash, is kept below the maximum limit fixed by the Bank for such advances but also to see that the progress of receipts and expenditure under various heads of account from month to month is kept at a level which would ensure that the receipts and expenditure for that year as a whole is more or less close to the assumptions made in the budget.
- (e) **Budget Control** – The authority administering a grant is responsible for watching the progress of expenditure under its control and for keeping it within the sanctioned Grant or appropriation. To facilitate control, departmental accounts are maintained by the Chief Controlling Officers and the progressive actuals month by month are reconciled with those entered in the books of the District Treasury/Pay and Accounts Officer and on quarterly basis with Accountant General.
- (f) **Budget Deficit** – The short fall of receipts when compared to the expenditure in the three accounts of the State viz. Consolidated Fund, Contingency Fund and the Public Account taken together is known as budget deficit.

- (g) **Budget Estimates** are the detailed estimates of the receipts and disbursements of a financial year.
- (h) **Budget Release Order (BRO)** - The Budget Release Order is an order to be issued by the Finance (Expenditure) Department to the concerned Head of the Department in the beginning of the financial year for the amounts authorized by the legislature through an Appropriation Act.
- (i) **Budget Surplus** – The excess of receipts over expenditure in the three accounts of the state viz. Consolidated Fund, Contingency Fund and the Public Account taken together is known as Budget surplus.
- (j) **Budget Year** means the financial year commencing on the 1<sup>st</sup> of April and ending on the 31<sup>st</sup> March following for which the Budget is prepared.
- (k) **Balance from Current Revenues (BCR)** - is defined as Revenue receipts minus Plan Assistance grants minus Non-Plan Revenue expenditure.
- (l) **Existing Modified Appropriation** represents the Budget Estimate of the current year plus the supplementary estimates voted by the Legislative Assembly.
- (m) **Final Modified Appropriation** means the sums allotted to any unit of appropriation as it stands at the end of the financial year, i.e., 31<sup>st</sup> March, after it has been modified by re-appropriation or by supplementary grant.
- (n) **Revised Estimates** is an estimate of the probable receipts or expenditure for a financial year, framed in the course of that year with reference to the transactions already recorded and anticipations for the remainder of the year in the light of the orders already issued or contemplated to be issued or any other relevant facts. Revised Estimate is not an Appropriation.
- (o) **Capital Expenditure Budget** – The Budget showing the expenditure proposed to be made on creation of fixed assets and also investments made by the Government during the period concerned.
- (p) **Commercial Budget** is the statement of accounts of commercial undertakings which are subordinate to legislative control and are owned, run and managed by the Government e.g. A.P. Text Book Press. It shows the Trading Account, Profit and Loss Account and the Balance sheet of the Government commercial undertakings and are used to determine the profit or the loss of the Commercial departments. The core of commercial budgeting consists of the laying down of the physical targets of operations which would result in the optimum utilization of resources.

- (q) **Performance Budget** is a comprehensive operational document, conceived, presented and implemented in terms of programmes, projects and activities with their financial and physical aspects closely interwoven. Performance budget seeks to present the purposes and objectives for which funds are requested, the cost of various programmes and activities proposed for achieving these objectives and quantitative data measuring the work performed or services rendered or results accomplished under each programme and activity.
- (9) (a) **Capital Account** – The Budget showing the expenditure proposed to be made on creation of fixed assets and also investments made by the Government during the period concerned.
- (b) **Working Capital** – The amount available for day-to-day expenses of running the business; the difference between current assets and current liabilities.
- (c) **Paid up Capital** – The amount paid up or credited as paid up on the shares issued.
- (d) **Authorised Capital** – The total amount of capital which a Company is empowered to raise as stated in its Memorandum of Association.
- (10) **Cash Credit Accommodation** – This is a facility offered by the Commercial banks for Industries and Trades. Under this scheme the maximum that could be borrowed by an Industry or a trade is fixed and within such a ceiling the client can borrow money by hypothecating the fixed or movable assets held by him when the value of the assets decreases, repayments will have to be made to the banks and when it increases additional loans without exceeding the ceiling can be obtained.
- (11) **Cash Flow** - all cash movements, that is, all cash receipts and payments during a specified period. This is usually prepared as a month wise “ways and Means” Statements.
- (12) **Charged appropriation** means the sum required to meet charged expenditure as specified in the schedule to an Act passed under Article 204 of the Constitution during the financial year concerned, on the service and purposes covered by that “Charged Appropriation”. It does not include provision for voted expenditure.
- (13) **Charged expenditure or expenditure Charged on the Consolidated Fund** means such expenditure as is not to be submitted to the Vote of the Legislative assembly under the provisions Article 202 of the Constitution.
- (14) **Consolidated Fund of the State** – Under Article 266 of the Constitution of India all revenues received by the State Government, all loans raised by that



Government by the issue of treasury bills, loans or ways and means advances and all moneys received by that Government in repayment of loans form one consolidated fund called the "Consolidated Fund of the State". No money out of this Fund can be appropriated except in accordance with law and for the purposes and in the manner provided in the Constitution.

- (15) **Constitution** means the Constitution of India.
- (16) **Contingency Fund of the State** –Under Article 267 (2) of the Constitution of India, the Legislative Assembly has established a Contingency Fund in the nature of an imprest created to meet unforeseen expenditure arising in the course of a year pending its authorization by the Legislative Assembly by law. The amounts are paid back to the Fund after the Legislative Assembly approves it what are called "The Supplementary Demands". The present size of the corpus of the Fund is Rs.50.00 crore.
- (17) **Controlling Officer** means the authority made responsible for the control of expenditure for any head of account.
- (18) **Cost benefit analysis** – Costs and benefits, social and private diverge, market behaviour can result in socially detrimental by –products, the cost of which must be met outside the market. The cost benefit notion has been rediscovered in recent years and a considerable effort has been made in economic planning to assess social costs.
- (19) **Current assets** – Cash or its equivalent and other assets which in the ordinary course of business will be converted into cash e.g., accounts receivable.
- (20) **Current liabilities** – Those which must be met within a relatively short period, usually within one year from the date of the balance sheet. Trade creditors, bills payable, bank overdrafts, taxes payable are some of the examples of such liabilities.
- (21) **Debenture** – An instrument under seal issued by a company as evidence of debt or as security for a loan bearing a fixed rate of interest and providing for repayment on or before a certain fixed date, or with no fixed date for redemption, it may be secured or unsecured, redeemable or irredeemable.
- (22) **Decretal amount** – Expenditure on payments made in satisfaction of any judgment, decree or award of any court is treated as charged on the Consolidated Fund of the State.
- (23) **Deficit** – Deficit in Government account represent gaps between the receipts and expenditure.
  - (i) **Revenue Deficit:** is the excess of Revenue expenditure over Revenue receipts.

- (ii) **Fiscal Deficit:** Fiscal Deficit defined as excess of Revenue and Capital expenditure (including net loans given) over the Revenue receipts (including grant in aid received) and Capital Receipts (excluding borrowings). Net of Consolidated Fund excluding receipts and disbursements under Public Debt.
  - (iii) **Primary Deficit:** is the Fiscal deficit minus interest payments.
- (24) **Demand for grant** is a proposal made on the recommendation of the Governor, for the appropriation of funds for expenditure to be met from the Consolidated Fund of the State other than that charged. Each demand for grant contains first a statement of the total amount required, followed with details arranged by major heads, minor heads, sub-heads and detailed heads, etc.
- (25) **Departmental Estimate** is an estimate of income and ordinary expenditure of a department in respect of any year submitted to the Government by a head of department or other estimating officer.
- (26) **Deposit** – A sum placed usually at interest and capable of being withdrawn either on demand or only after the expiry of the agreed term.
- (27) **Depreciation** : -
  - (i) A reduction in the value of fixed assets due to such causes as wear and tear, action of the elements, obsolescence, etc
  - (ii) An annual charge equal to the value of a fixed asset which is expected to lapse each year due to such causes as wear and tear, obsolescence, etc.
  - (iii) The accounting process for the gradual conversion of a fixed asset into expense, whereby the cost of the asset is spread over its expected useful life.
- (28) **Detailed head** is the primary unit of appropriation. It exhibits expenditure under basic items like salaries, Travel Expenses, Office Expenses etc.
- (29) **Drawing Disbursing Officer** – Every Government servant who is authorized to draw money for disbursement on bills from the treasury is a Drawing Disbursing Officer.
- (30) **Discount** :
  - (i) A deduction from the price of goods allowed by a seller, e.g., trade discount, cash discount.
  - (ii) When the price of a share or stock is below nominal value, it is at a discount.
  - (iii) The difference between the value of a bill of exchange at maturity and its present value.
  - (iv) To give or receive value (after deduction of discount) of a bill of exchange before it is due.

- (31) **Discounted Cash flow** – Refers to the present value of future cash receipts and cash payments, i.e., their value computed by taking into account a particular discount rate in transactions phased over a period of time.
- (32) **Draft Budget** - placing the budget proposals for ensuing financial year before the general public for discussion and advise before it is actually finalized and placed before the Legislative Assembly for approval.
- (33) **Economic Planning** refers to an attempt to plan economic activity and anticipate the results. However, the term is usually used to refer to the governmental direction economic operations.
- (34) **Estimate Committee** is a Committee constituted by the Legislative Assembly for the examination of such of the estimates as may deem fit to the Committee or are specifically referred to it by the House.
- (35) **Estimate Officer** means a departmental officer responsible for preparing a departmental estimate.
- (36) **Exceptional Grant** – See Article 206 (1) (c) of the Constitution of India.
- (37) **Excess Grant** means a Grant voted by the Legislative Assembly to meet the expenditure incurred in a financial year in excess of the amount granted for a service of the year as per Article 205 of the Constitution of India.
- (38) **Finance Accounts** are the accounts prepared by the Comptroller and Auditor-General of India relating to the transactions under the Consolidated Fund, Contingency Fund and the Public Accounts and the accounts of assets and liabilities of Government such as Debt and Loans and Advances by Government.
- (39) **Head of Account**
- (i) **Major head** means a main head of account for the purpose of recording and classifying the receipts and disbursements relating to the functions of the Government.
  - (ii) **Sub-Major head** - The Major heads are sub divided in some cases into sub major heads. Sub major heads are opened under a major head to record those transactions which are of a distinct nature and are of sufficient importance to be recorded exclusively, but at the same time allied to the function of the major head. The head of account relating to each such sub division is termed as “sub major head” and the budget code is two digit code e.g. under the major head “2202.Education” the sub major head are:-
    - 01. Elementary Education
    - 02. Secondary Education
    - 03. University and Higher Education etc.

- (iii) **Minor head** means a head subordinate to a Major head or Sub-Major head representing a specific programme.
  - (iv) **Group Sub head** suggested in between the Programme Minor head and Sub head representing a similar group of schemes which are implemented under a separate funding pattern.
  - (v) **Sub-head** means a head subordinate to a minor head. It indicates schemes for Plan Programmes or administrative set-up in the case of non-plan expenditure.
  - (vi) **Sub-detailed heads** denote break-up of detailed heads or object classification, wherever necessary, and possible. e.g. 010 Salaries / 011 Pay / 012 Allowances / 013 DA etc.
- (40) **Grant** means the amount voted by the Legislative Assembly in respect of a demand for grant.
- (41) **Head of Department** means an officer declared as such by Government.
- (42) **Inventory control** provides for systems designed to provide on a continuing basis control data relating to both current and anticipated stock requirements, facilitating the prediction of possible shortages due to peak and seasonal demands. The purpose is to ensure that funds are not unnecessarily locked up in inventories but at the same time operations in the capital budget go on smoothly.
- (43) **Letter of Credit** in Government system is the authorization to incur expenditure related to works against budget appropriations released to Heads of Department. Normally, releases are made to Pay and Accounts officer / Asst. Pay and Accounts Officer and occasionally through PAO, Hyderabad (twin cities), advances sanctioned from contingency fund relating to works also is released as Letter of Credit. This Letter of Credit system is presently in operation for Public Works & Forest Departments.
- (44) **Loans & Advances** – Money lent to be repaid on certain conditions and at certain rate of interest by the Government to the various Corporations / Companies / Individuals.
- (45) **Major Work** means a work which creates a fixed asset to the state government and estimated cost of which exceeds Rs.25,00,000.
- (46) **Medium Term Fiscal Frame Work** - There are two main objectives of formulating a Medium Term Fiscal Frame Work (MTFF) to help plan fiscal policies.
- (i) MTFF is a tool to help ensure that public expenditures are stable and sustainable and not prone to fiscal crisis.
  - (ii) It helps to improve the efficiency of allocation decisions and protect high priority public expenditures such as on social services, recurring non-wage expenditure recruitments (operations and Maintenance), and infrastructure investments.

- (iii) It is important to clarify that the MTF is not a five year plan and does not provide a detailed expenditure allocation. Rather, it is a tool for establishing overall affordability of Government spending within reasonable revenue forecasts while identifying a broad path for expenditure that protects expenditure priority.
- (47) **Minor Work** means a work which is meant for keeping the existing asset in normal condition and estimated cost of which does not exceed Rs.5,00,000.
- (48) **New Service** means a service the expenditure on which is not contemplated in the budget (Appropriation Act) for the year and the expenditure exceeds certain monetary limits and for which a supplementary statement of expenditure should be presented to the Legislative Assembly in accordance with the decisions of the Public Accounts Committee.
- (49) **Number Statement** – A Statement giving particulars of posts in each permanent and temporary establishment (both gazetted and non gazetted), the sanctioned monthly pay and allowances attached to the posts that will be drawn on the 1<sup>st</sup> April following and number of officers at each rate of pay for whom provision will be made in the departmental estimates.
- (50) **Plan** – Any scheme to accomplish a purpose constitutes a Plan. While firms and industries plan future production, advertising, etc., Government plan, in varying degrees, the future development or performance of their economics. This is usually on an Annual Plan basis and Five-Year Plan basis. Plan schemes are mainly divided into two categories, viz., State Schemes and Centrally Sponsored Schemes. In respect of **State Schemes**, expenditure is incurred by the State and assistance is released according to prescribed pattern by the Central Government to State Government subject to an over-all ceiling. **Centrally Sponsored Schemes** are those for which the Centre attach special importance, the progress of each one being watched by the Centre. The share of expenditure on these schemes which is usually fully borne by Central Government, is given to State Government, as assistance outside the total pool of assistance made available to the State Government for financing the Plan. There is yet another category of schemes viz., Schemes assisted by Autonomous Bodies, in respect of which the financial assistance is rendered by the agencies like LIC, GIC, National Co-operative Development Corporation, NABARD, etc.
- (51) **Public Account** – Receipts and disbursements, such as deposits, reserve funds, remittances, etc., which do not form part of the “Consolidated Fund” are included in the Public Account of the State. Disbursements from the Public Account are not subject to the vote by the Legislative Assembly as they are not moneys issued out of the “Consolidated Fund”.
- (52) **Public Accounts Committee** is a committee constituted by the Legislative Assembly for the examination of the reports of the Comptroller and Auditor-General of India relating to the Appropriation accounts of the State, the

Annual Finance Accounts of the State or such other accounts of financial matters as are laid before it or which the Committee deems necessary to scrutinize.

- (53) **Public Debt** – Comprises loans raised by Government such as market loans, loans from the Life Insurance Corporation of India, etc., and the borrowings from the Central Government. The Sector “E. Public Debt” will have two major heads, i.e., “6003 Internal Debt of the State Government” and “6004 Loans and Advances from the Central Government”. Transactions connected with these are recorded both on the receipts and disbursement sides.
- (54) **Reappropriation** means the transfer by a competent authority of saving from one unit of appropriation to meet additional expenditure under another unit within the same grant and under the same section i.e., within the Revenue, Capital and Loans section.
- (55) **Recurring charge** is a charge which involves liability beyond the financial year in which it is originally sanctioned; expenditure sanctioned for a specific purpose and for a specified period (not more than a financial year) is not a recurring charge.
- (56) **Remittances** – The head of account ‘Remittances’ under Public Account embraces all adjusting heads under which appear remittances of cash between treasuries and transfers between different accounting circles as in the case of Public Works Department. The initial debits or credits to the head Remittance will be cleared eventually by corresponding receipts or payments either within the same circle of accounts or in another accounts circle.
- (57) **Report of the Comptroller and Auditor-General of India** deals with the points arising out of Appropriation Accounts and Finance Accounts of the year and other irregularities noticed in the course of audit of financial transactions of the Government. It is prepared by the Accountant-General each year and is countersigned by the Comptroller and Auditor-General of India.
- (58) **Revenue Account** is the account of (a) the current income and expenditure of the State derived mainly from taxes and duties, fees for services rendered, fines and penalties, revenue from Government estates such as forests and other miscellaneous items and (b) the expenditure met from that income. The difference between such income and expenditure represents the revenue surplus or deficit, as the case may be, for that year.
- (59) **Standing sanctions** relate to revenue based on existing laws, rules or orders and expenditure incurred by virtue of existing rules and orders.
- (60) **Supplementary statement of expenditure** means the statement to be laid before the Legislative Assembly under Article 205 (1) (a) of the Constitution showing the estimated amount of further expenditure necessary in respect of a financial year over and above the expenditure authorized in

the annual financial statement for that year. The demand for supplementary grant may be token or substantive.

- (61) **Suspense** – The head 'Suspense' under Public Account accommodates interim transactions for which further operations are necessary before the transactions can be considered complete and finally accounted for i.e., 'Suspense' is not a final head of account.
- (62) **Technical Sanction** is the approval to the detailed designs, plans specifications and qualities by the competent engineering authority, which is required to be given to any work before its commencement.
- (63) **User Charge** - is a Non-Tax revenue comprising recovery of cost from the user on the services rendered and also collection of fines and fees from the individuals for violation of law.
- (64) **Vote on account** means a grant made in advance by the Legislative Assembly in pursuance of Article 206 (1) (a) of the Constitution, in respect of the estimated expenditure for a part of the new financial year, pending the completion of the procedure relating to the voting of the demands for grants and the passing of the Appropriation Bill. The Annual Financial Statement is generally presented to the Legislative Assembly in the month of February and normally the general discussion thereon in Legislative Assembly, the voting of the demands for grants by the Legislative Assembly and the passing of the Appropriation Bill are expected to be completed before the end of March, so as to make available the grants and appropriations for the ensuing year right from the commencement of the year. But circumstance may sometimes arise in which this may not be possible. On such occasions, demands for advance grants in respect of the estimated expenditure for a part of the year may be presented.
- (65) **Voted expenditure** means expenditure which is subject to the vote of the Legislative Assembly. It is to be distinguished from 'Charged' expenditure.
- (66) **Zero base budgeting** means a 'denovo' examination of all items of expenditure incurred by a department to find out their necessity with reference to functions and responsibilities of the department.

## **CHAPTER - 3**

### **BROAD OBJECTIVES OF THE NEW BUDGET AND ACCOUNTING CLASSIFICATION ADOPTED FROM 1<sup>ST</sup> APRIL, 1974**

3.1. The existing budget and account classification is largely designed to secure the basic objective of ensuring control over the appropriations made by the Legislature to the Executive and the allotments made by the Departments to the subordinate authorities. The classification accordingly bears a close affinity to departments and organisations in which the transactions occur and within them in terms of inputs such as establishment charges, travel expenses, material and equipment etc., so as to secure itemised control over expenditure. Such a framework was considered adequate for the limited functions discharged by the Government in the past. However, over the years the functions of Government have become greatly diversified and public outlays have expanded from year to year and the emphasis has shifted from control of expenditure merely by objects of expenditure to monitoring and analysis of programmes and activities as well as control by objects of expenditure and to the extent possible and assessment of the return, for the expenditure incurred.

3.2. In the changed circumstances, the budget and accounts have to fulfill a new purpose and acquire a new dimension. Classification is the structural key to planned and rational Government budgeting. The manner in which operations of Government are grouped will be determined by and also will in turn determine, the character of the decisions that can be made in the budgetary processes. A meaningful classification and presentation of Government operations in terms of functions, programmes and activities, therefore, assumes a great importance. As accounts provide the basic financial data or budgeting, reforms in budgetary presentation in terms of programmes and activities cannot be complete unless the accounting classification is also simultaneously structured to correspond to programmes and activities. In the plan, programmes and activities are classified by sector and heads of development. If the Budget heads, Account heads and Plan heads speak in different languages it would create a lack of conformity which will have a debilitating effect both on decision making and implementation. It is, therefore, necessary to bring about as closer a correlation among the three as possible so that together they could help to present more clearly the purposes and objectives of Government expenditures, facilitate the process of decision making at all levels, enhance the accountability of the management and provide an additional tool for control of financial operations.

3.3. Keeping the aforesaid objectives in view, the Administrative Reforms Commission recommended introduction of Performance budgeting in Government departments so as to provide an adequate link between the financial outlays and physical targets and to help create a built in mechanism for watching the progress in attaining programme targets and taking timely corrective action when things go awry. In order to facilitate the introduction of performance budgeting, the



Commission recommended a review of the present system of classification structure and heads of account so as to recast the same to reflect broad function and major programmes of Government and so that programmes, activities and projects of all the departments and organisations are clearly identified in the accounts. The Commission also recommended that the Heads of Development adopted for plan purposes should also be similarly reviewed with a view to establishing a direct correlation between these heads and the accounting heads.

3.4.1. In pursuance of the recommendations of the Commission, a team of officers was constituted by Government of India and they have conducted a comprehensive review of the existing classification structure and heads of account. The proposed changes are based on the acceptance by the Government of India and the Government of Andhra Pradesh of the recommendations of this team.

3.4.2 For a purposeful review of Government operations, a scheme of classification consisting of a number of tiers is needed. First the operations are to be aggregated under broad sectors into which the functions or services will be grouped such as "General Services", "Social and Community Services", "Economic Services" etc. Such an aggregation will give an overall picture of resource allocation at the state level among the various sectors e.g., how much is allocated for development of "Social Services or Economic Services", etc.

3.4.3. Secondly the outlay under each sector are allocated among a number of major heads (or Heads of Development so far as Plan outlays are concerned ) which would give an idea of the distribution of expenditure among functions which represent the major divisions of Governmental efforts such as Education, Agriculture, etc. This distribution will facilitate appreciation of the inter-se allocation of resources within the sectors, for example, how much is provided for education vis-à-vis public health in the sector "Social and Community Services", how much for industry vis-à-vis transport facilities in the sector 'Economic Services' and so on.

3.4.4. The objectives of a function are achieved by undertaking a number of programmes. For example the objectives of Public Health are achieved through programmes for control of diseases, drug control, prevention of food adulteration, etc. Hence, the third tier of classification viz., minor heads should identify these programmes under each function. This will not only give a clear picture of what programmes Government is undertaking to further a particular function but also facilitate preparation of performance budgets. A programme would consist of a number of schemes. For example, the programme control of diseases under Public Health will consist of schemes for malaria eradication, filaria eradication, control of tuberculosis, etc. The fourth tier of classification will reflect the schemes undertaken under a programme. The third and fourth tiers of classification will thus provide a link between budget outlays and development programmes and schemes and foster adoption of modern techniques for programme selection, monitoring and evaluation of performance etc.

3.5. Within each scheme, for purposes of departmental control it would be necessary to know expenditure on the scheme in terms of inputs such as salaries, purchase of stores, grants-in-aid, loans, investments, etc. The last tier of classification should, therefore, represent the nature of expenditure which is otherwise called object classification. Besides facilitating control over expenditure, this would also help in preparing an economics classification of governmental transactions.

3.6. Thus Government have adopted in the classification structure proposed, these five tiers which will facilitate appreciation of resource allocation at the state level, provide a link between budget outlays on the one hand and functions, programmes and schemes on the other and ensure itemised control over expenditure which is still very much relevant.

3.7. While the proposed restructuring of heads of account would greatly facilitate the linking of financial outlays and programmes and schemes, etc., help introduce performance budgeting and enable collection of data relevant for planning and budgeting, studies in depth, the process would not, however, be complete unless a reliable information system on the physical and economics characteristics of the programme is built up as an integral part of the discipline required for the selection and formulation of programmes and to assist monitoring and evaluation of programme.

3.8. The major and minor heads that are now proposed more or less approximate the existing functions of Government and the programmes undertaken by it. It has, however, to be noted that the functions of Government or programmes are not static. It is quite possible that after some years many of the functions or programmes may be varied and Governmental activity may embrace certain new functions and programmes. Hence, a pragmatic approach to accounting classification is essential and the classification structure should not be considered immutable. The scheme of classification should embody a certain amount of flexibility so that accounting could be dynamic and grow with times.

3.9. This flexibility is all the more necessary at the level of minor heads as the programmes are liable to change from Plan to Plan and insistence that the prescribed minor heads should continue unchanged for long period of time would rob the accounting classification of its utility to both the Legislature and the Executive.

#### **MAIN FEATURES OF THE CLASSIFICATION OF THE ACCOUNTS. CLASSIFICATION ADOPTED FROM 1.4.1974.**

3.10.1. The basic approach to the reforms in the structure of classification has been discussed earlier. In this chapter, the salient features of the changes proposed for

recasting Account heads and Plan heads to bring about correlation between the two and to make the classification structure more meaningful, are explained.

3.10.2. The classification structure common to both "accounts and plan" will be as indicated below:

- i. Sectors (comprising sub-sector where necessary) to indicate the grouping of the various functions of the Government corresponding to the sectors of plan classification.
- ii. Major heads (comprising sub-major heads where necessary) to indicate the functions of the Government such as agriculture, education, health etc., and to correspond to heads of development in the plan classification.
- iii. Minor heads to denote the various plan and non-plan programmes under each function.
- iv. Sub-heads to denote the scheme or organizations under each programme or minor head
- v. The detailed head of account to indicate the nature or form of expenditure such as salaries, travel expenses, investment, loan etc., otherwise known as objects of expenditure.

3.11.1. Government have decided that the sectoral classification that are to be adopted should be (a) General Services, (b) Social and Community Services, (c) Economic Services, besides separate sectors for Grant-in-aid contributions, etc., and Loans and Advances.

3.11.2. While the sector "Social and Community Services" in the above categorisation will be fairly compact and needs no further division into sub-sectors, the other two sectors, namely, "General Services" and "Economic Services" will each comprise of a wide variety of activities which should be grouped under sub-sectors. It is, therefore, necessary that these two broad sectors are further divided into sub-sectors so that the expenditures on the major groups of allied activities within these sectors may be aggregated. The sector "General Services" can thus be divided into the sub-sectors, 'Organs of State' such as State Legislature, 'Judiciary' etc., Fiscal Services dealing with collection of tax etc., Interest payment and the Debt services, Administrative Services including General Administration, Police, Stationery and Printing etc., Pensions and Miscellaneous General Services.

3.11.3. The sector "Economic Services" can similarly be divided into the sub-sectors, General Economic Services' including Planning Export Promotion activities, collection of Statistics not pertaining to any particular function etc., 'Agriculture and Allied Services', 'Industry and Mineral Water and Power Development', Transport and Communications.

3.11.4. Under the sectoral classification proposed above, pension and certain miscellaneous services have been included in a separate sub-sector "Pensions and Miscellaneous "General Services" in the sector "General Services" and the existing

sections I. Miscellaneous and K. Extraordinary items are abolished because Government feel that pensions and certain other miscellaneous transactions presently accounted for in a separate section are more of the nature of General Services and can appropriately be brought under the sector "General Services". Similarly, the Section J. Contributions and Miscellaneous adjustments will be abolished and transactions presently included there under will be brought either under General Services or under the sector Grants-in-aid and Contributions.

3.11.5. Besides the above three sectors, it is also considered necessary to have a separate sector to accommodate transfer of resources in the form of grants-in-aid, share of duties, etc.

3.11.6. Further, under the provisions of Article 112 and 202 of Constitution, the expenditure of Government is required to be shown separately under 'revenue' and 'capital'. Besides, Article 266 of the Constitution makes a distinct mention of loans raised by Governments and amounts received in repayment of loans advanced by Government, amongst the categories of receipts that would form the consolidated Fund of the State Government. Accordingly, it is proposed to have separate divisions for revenue, capital and loan transactions. While the "capital" division will have the same sectoral classification, as in the "revenue" division, the "loan" division will have two sectors one for the borrowings of Government and the other for loans given by Government. The major heads in the latter sector have, however, been arranged in such a way as to correspond to the major head classification adopted for the capital division. Under this scheme, attempt has also been made to distinguish in accounts loans given to various parties such as Port Trusts, Municipalities etc. However, as the classification in the plan cannot have separate division for revenue, Capital and loan transactions, these will continue to be aggregated under the various plan sectors of development as at present.

### **Correlation with the plan classification**

3.12.1. The sectoral classification proposed above will be adopted for plan purposes also. The plan sectors, 'Agriculture and Allied Programmes' and 'Irrigation and Power' would correspond to the sub-sectors 'Agriculture and Allied Services' and 'Water and Power Development', under the sector, 'Economic Services', proposed for accounting classification. Similarly, the plan sectors "Industry and Minerals" and "Transport and Communications" would correspond to the account sub-sectors of the same nomenclature proposed under "Economic Services". The sector 'Social Services' in the plan would correspond to the sector 'Social and Community Services' in the accounts classification. As for the miscellaneous category 'Other Programmes' in the plan classification the various programmes included therein are capable of being brought under one or the other of the three sectors. For example, "Rehabilitation" and "Information and Publicity" are in the nature of "Social and Community Services" and statistics not related to any particular function can be considered as a part of the information system necessary for planning purposes and can thus be classified as a General Economic Services.

3.12.2. In this connection attention is drawn to certain divergencies in regard to the composition of the sectors which are proposed and those presently adopted for plan purposes. A point for consideration is whether 'Co-operation' which embraces not only agriculture but also other fields such as industry etc., should not appropriately be shown under 'General Economic Services' instead of under 'Agriculture and Allied Programmes' as shown in the plan. The Planning Department may review the existing position and may adopt the categorizations proposed here for sectoral classification in accounts.

3.12.3. In the light of the above, the following sectoral classification will be adopted for accounts as well as for plan purposes: -

**A. General Services:**

- a. Organs of State
- b. Fiscal Services
- c. Interest Payment and Servicing of Debt.
- d. Administrative Services
- e. Pensions and Miscellaneous General Services.

**B. Social and Community Services.**

**C. Economic Services:**

- a. General Economic Services.
- b. Agriculture and Allied Services.
- c. Industry and Minerals.
- d. Water and Power Development.
- e. Transport and Communications.

3.12.4. In the accounts classification, there will be one more sector, namely, D. Grants-in-aid and Contributions.

3.12.5. The same sectoral classification will be adopted for both revenue and capital expenditures.

**Classification by plan heads of development and major heads of account.**

3.13.1. The classification of transactions of Government has been made by major head of accounts which are the main units of accounts classification under the various sectors, keeping in view the existing plan and accounts classification, the nature and magnitude of expenditure on plan and non-plan account. Certain heads of development in the present plan classification do not figure as major heads in the scheme of classification proposed. For example, the plan heads of development "Agricultural research" and 'small and marginal farmers' have been included as minor heads under the major head 'Agriculture which will embrace the programmes included in the plan head of development 'Agricultural Production'. In the new scheme of classification the functional major head is styled as 'Agriculture ' and the former two heads of development should, therefore, appropriately form part of that major head. The plan heads "Food processing and subsidiary foods" and "Buffer

Stocks" have been included as minor heads under a comprehensive major head "Food and Nutrition".

3.13.2. In the plan, Irrigation, flood control and power are separate heads of development. As a multipurpose river project will comprise all these programmes and the segregation in accounts of the expenditure on the project among these programmes is not feasible the expenditure on these programmes of each project in such cases will be recorded under a single major head 'Multipurpose River Schemes'. However, for unipurpose schemes or projects only for irrigation, flood control or for generation of electricity, separate major heads have been provided.

3.13.3. In the case of industries the classification proposed on the capital side is much more elaborate than the plan classification. While in the plan, outlay on industries other than village and small industries is included under one head, keeping in view the magnitude of the outlays, separate major heads for important groups of industries such as Mining and Metallurgical Industries, Machinery and Engineering Industries, Petroleum Chemicals and Fertilizer Industries, Consumer Industries etc., have been suggested besides a separate major head for Village and Small Industries.

3.13.4. For similar reasons a single major head each for analogous services of Road Transport and Inland Water Transport etc., and which are assigned separate heads of development in the plan, are provided here.

3.13.5. General Education and Technical Education which are separate plan heads have been combined under a single major head 'Education' as both relate to the function "Education". A distinction has been made between public health services which are of a general nature for the benefit of the community as a whole in the matter of prevention of diseases, sanitation, etc, and medical services which are for the benefit of individuals while in the plan both are included under a single head of development. Also Public Health and Water Supply have been combined in a single major head while in the plan the latter is a distinct head of development. The plan heads, "Welfare of Backward Classes", "Social Welfare", Special Welfare Schemes" are assigned a single major head called "Social Security and Welfare" with sub-major heads as Social Welfare and Welfare of Backward Classes.

3.13.6. It will be of considerable help to the monitoring of plan programmes as the existing plan classification by heads of development are to be brought in line with the accounts classification proposed here to account for both non-plan and plan expenditures and the latter is also adopted as the plan classification.

### **Classification by programmes and minor heads of account**

3.14.1. The basic principle of detailed accounting classification at present is that the classification should have relevance to the department which incurs the expenditure rather than the purpose for which the expenditure is incurred. The position will have to be reviewed in order to serve the needs of performance budgeting. The existing accounting classification has not provided adequate support for performance

budgeting not because of the deficiencies in the structure of major heads but more so because of the deficiencies at the level of minor heads. Particular care has therefore been taken to review all the expenditure minor heads of account to bring them in conformity with the programmes undertaken by the various departments of Government. An idea of the classification structure proposed can be had from the minor heads proposed under the major head "Public Health, Sanitation and Water Supply". Some of the proposed minor heads are: -

- Direction and Administration.
- Prevention and Control of Diseases.
- Prevention of Food Adulteration
- Prevention of air and water pollution.
- Drug Control.
- Training.
- Health Statistics and Research.
- Health Education and Publicity.
- Manufacture of Sera and Vaccines.
- Public Health Laboratories.
- Health Transport.
- Sanitation Services.

3.14.2. As observed in Para 3.9 supra the minor heads would need to be reviewed periodically in the light of the programmes undertaken by Governments from time to time.

### **Sub-head of Account**

3.15.1. While the minor heads of account below a major head will correspond to the programmes, the next tier of classification, viz., the sub-head of the account under each minor head will reflect and identify the schemes undertaken in pursuance of the programme presented by that minor head. In some cases, especially in regard to non-development expenditure or expenditure of an administrative nature as distinct from schemes, the sub-head will denote the components of a particular programme represented by the minor head, for example, the minor head "Direction and Administration" under the major head "Police" may have the sub-heads to correspond to the organisational wings of the Police Headquarters.

3.15.2. As the schemes under the various programmes differ from department to department a uniform classification by sub-heads cannot be prescribed centrally. Hence, these will be prescribed by Finance Department in consultation with all departments. In the case of Central Plan and Centrally Sponsored Schemes, however, it is necessary that a uniform nomenclature of schemes is adopted in the budgets of the Central and State Governments. The Ministries of the Central Government in charge of these schemes will decide in consultation with the Minister of Finance a uniform nomenclature of the sub-heads classification to be adopted for these schemes well in advance and intimate it to the State Government and Accountant General concerned for adoption in their budget and accounts.

3.15.3. While the sub-head classification is intended to reflect schemes under a programme, it is not desirable to proliferate the sub-heads unnecessarily. Homogeneous schemes under a programme especially those involving small outlays should be grouped under suitable sub-heads.

3.15.4. In the loan sector, the sub-head of classification will, besides denoting the scheme for which loans are given, indicate the institutions or parties by broad categories to which loans are given.

### **Detailed Heads of Account or Objects of expenditure.**

3.16. It was considered necessary to stream line the primary units of appropriation or the detailed heads of account which represent the object classification. Standard object classification heads which could be the standard primary units of appropriation in the demands for grants have been evolved. Vide Appendix-III in Part III. These will present the details of the expenditure on a programme activity scheme or organization in a more meaningful manner.

### **Economic Classification**

3.17. The requirements of economic classification of Government transactions have been examined. Under the economic classification, primary items of expenditure are grouped according to their economic character such as current expenditure on goods and services transfer payments, subsidies, etc. Economic classification thus cuts across classification functions and programmes adopted in accounts and plan. The U.N. Manual on economic and functional classification of Government transactions has also recognised this distinction between the two classifications and suggested the aggregation of expenditure by economic categories through a cross classification. The standardisation of objects of expenditure proposed here is intended to secure that each item of expenditure at its last tier of classification does indicate the nature of expenditure so that aggregation of expenditure by economic magnitudes is facilitated.

### **Industrial classification**

3.18. Industrial classification is used for collecting statistics of industrial production and distribution national income, occupational distribution of the economically active population and different fields of labour etc. It has been considered whether it would be possible to have a correspondence between functional – cum- programme classification with the industrial classification as adopted by the Central Statistical Organisation of Government of India. A correspondence at the major head level or the minor head level would not be possible as there is a lot of divergence between the scheme of functional classification and the scheme of industrial classification. For instance under functional classification, the functional major head Agriculture would include not only agricultural production but also administration, research, education and construction relating to agriculture. In the scheme of industrial classification, these would however, fall under different divisions of classification such as "agriculture, hunting, forestry and fishing", community social and personnel services'



and "construction". It would, however, be possible without much difficulty to link sectors, major minor and sub-heads of accounts classification with divisions, major groups, groups, sub-groups classification adopted in the industrial classification through appropriate cross references. The process would be further facilitated when the heads of accounts are codified upto the scheme level of classification.

### **Classification of Government revenues**

3.19.1. A re-grouping of the receipt major heads especially those relating to taxes so as to facilitate a better appreciation of the tax structure has also been done. In respect of non-tax revenue, for the sake of convenience number of receipt major heads corresponding to the expenditure major heads, has been prescribed.

3.19.2. The three sectors prescribed for sectoral classification of revenue receipts are (a) Tax Revenue (b) Non-Tax Revenue and (c) Grants-in-aid and contributions. The sector "Tax Revenue" will have the following further sub-sectors: -

- a. Taxes on income and expenditure
- b. Taxes on property and capital transactions
- c. Taxes on commodities and services.

The sector "Non-Tax Revenue" will have two sub-sectors viz., "(i) Interest Receipts, Dividends and Profits and (ii) Other Non-Tax Revenue". The sub-sector "Other Non-Tax Revenue" will comprise of receipts relating to General Services, Social and Community Services and Economic Services, etc.

### **Exhibition of Plan and Non-Plan expenditure in accounts**

3.20. The plan and non-plan components of provisions for the various programmes, activities and schemes and the sub-heads or object classification there under should be shown in horizontal columns distinctly.

### **Public Account**

3.21. The sectoral classification in the "Public Account" will be as follows:

1. Small Savings, Provident Funds etc.,
2. Reserve Funds
3. Deposits and Advances.
4. Suspense and Miscellaneous.
5. Remittances.
6. Cash Balance.

3.22. Reserve Funds which were included in the section "Deposits and Advances" have been brought under a new sector called the "Reserve Funds". The nomenclature of the section "Unfunded Debt" which includes major heads of account for transactions relating to Provident Funds. Trust and Endowments etc., will be changed as "Small Savings, Provident Funds etc." The Suspense" heads forming part of the section "Deposits and Advances" will also be placed under a sector called Suspense and miscellaneous. The sections Transfer of Cash between England and

India" and "Reserve Bank Deposits" have been abolished consequential to certain simplifications effected in the matter of adjustment of transactions taking place in the United Kingdom and in bringing the transactions accounted for under the Reserve Bank Deposits in the sector "Suspense and Miscellaneous.

### **Classification of expenditure on Secretariat, Public Works, Grants in aid, Loans and Advances, etc.**

3.23.1. The question of exhibition of following transactions under the proposed scheme of classification has been considered.

- i. Expenditure on Secretariat of the various Departments.
- ii. Expenditure on construction and maintenance of non-residential and residential buildings, roads and bridges.
- iii. Expenditure on investments in public sector and other undertakings.
- iv. Grants-in-aid and loans.
- v. Charges in England/Receipts in England.
- vi. Loans and advances by Government
- vii. Grants-in-aid, contributions and subsidies by Government.

The orders of Government in regard to their exhibition in budget and accounts are discussed in the following paragraphs.

3.23.2. Accountable of expenditure on Secretariat of the various Departments and attached offices.

a. Prior to 1974, the expenditure on Secretariat of the various Departments was accounted for under the major head "19. General Administration – C. Secretariat and attached offices" in the section 'Administrative Services'. The Secretariat is the policy formulation body for the various functions and it is only appropriate that the relevant functional expenditure head of account shows the expenditure on the concerned department of the Secretariat dealing with the function. There were, however, difficulties in allocating the expenditure on the secretariat of a particular Department, which would be dealing with a number of functions, to the various functions. As first step towards exhibition of expenditure on Secretariat as part of the functional expenditure separate major head with nomenclature "Secretariat-General Services", "Secretariat-Social and Community Services" and "Secretariat Economic Service" have been introduced in the sectors, General Services, Social and Community Services and Economic Services respectively. Accordingly, expenditure on Secretariat of the Departments dealing with all the functions in the General Services will be shown under the major head "Secretariat – General Services". The Finance, Home and Law Departments which deal with matters common to all functions will also be shown under the major head 'Secretariat' in the sector "General Services". Departments of the Secretariat dealing with functions falling under more than one of the sectors referred to above will however be accounted for under the Secretariat major head in the sector to which the major part of their work relates.

b. As regards the offices of Heads of Departments wherever the work of the offices is identifiable with a particular function, they should be shown under the concerned functional major head. In other cases, where the offices are not identifiable with any function, they may be shown under 'Secretariat. There are a number of offices whose functions are not identifiable with any particular function and in such cases, the above procedure will be followed.

### 3.23.3. Expenditure on construction and maintenance of non-residential and residential buildings and roads and bridges.

a. The expenditure on construction and maintenance of residential and non-residential buildings and roads and bridges was accounted for under a single major head "50 Public Works" in the revenue section or" 103. Capital Outlay on Public Works" in the Capital sections, as the case may be. Consistent with the scheme of classification from 1.4.1974, expenditure on construction can be segregated as follows: -

- i. Expenditure on Government residential buildings will be accounted for under the major head 'Housing' in the revenue or the capital section as the case may be, in the sector "Social and Community Services".
- ii. Expenditure on roads and bridges being in the nature of communication services having an impact of economic development, will appropriately be shown under a separate major head 'Roads and Bridges' in the sub-sector "Transport and Communications" under "Economics Services" in the revenue or the capital section as the case may be.

b. Expenditure on non-residential buildings. i.e. the expenditure on office buildings for the various departments, expenditure on functional buildings for specific purposes, like schools, hospitals, colleges, etc. has been made distinct from administrative office buildings, being an input for the development of concerned function/ programme, to be reflected under the relevant function/ programme head of classification. Accordingly, the major head "Public Works" in the revenue section and "Capital Outlay on Public Works" in the capital section under "General Services" will show only the expenditure on all non-residential buildings which are not entirely in the nature of functional buildings. The expenditure on construction of purely functional buildings like hospitals, schools, etc., will be exhibited under the respective functional major heads.

c. Expenditure on maintenance and repairs of all non-residential buildings, whether functional or administrative, shall be classified under the major head "259-Public Works". The expenditure on original works in respect of functional buildings will, however, be classified under the respective functional major heads. (The matters relating to the accountable of Public Works expenditure, recoveries of expenditure on common establishment, tools and plant, etc., are dealt with in Chapter 9).

3.23.4. ***Expenditure on investment in Public Sector and other Undertakings:*** Upto 1974, all expenditure on investments in public sector and other (non-departmental) undertakings was reflected under the capital major head "96-Capital Outlay on Industrial and Economic Development" irrespective of the functions to which the investment relates, and the omnibus capital head has since been abolished to reflect expenditure under relevant functional major heads.

### **Classification of expenditure under Revenue and Capital**

3.24.1. Capital expenditure may be broadly defined as expenditure on acquisition of material and permanent character. Expenditure on extinguishing recurring liability is also treated as capital expenditure but the latter is usually written back to revenue over a period of year. Expenditure on assets which do not vest in Government is not treated as capital expenditure. Under the existing arrangements, certain items of expenditure like losses on trading schemes, grants for development, etc., even though they do not satisfy the requirements of classification as capital expenditure, are initially debited to capital account in view of the magnitude of the expenditure and then written back to revenue over a period of years. On the other hand certain item of capital expenditure are met from the revenue budget and accordingly exhibited in the revenue section of accounts and capital expenditure met from revenue.

3.24.2. The question of classification of expenditure between capital and revenue accounts was considered in detail. In many foreign countries the budget and the accounts do not distinguish between current expenditure and capital expenditure. In the United States, the President's Commission on Budget concepts recommended against a Capital budget, as according to the Commission such a Budget would seriously distort the budget as a decision making tool. In India, however, in view of Articles 112 and 202 of the Constitution which envisage distinguishing in budget, expenditure on revenue account from other expenditure, we cannot completely give up the distinct exhibition of expenditure on revenue and capital accounts even though this distinction leads to dispersal of programme costs in budget and accounts. Hence Government have considered rationalizing the existing arrangements in regards to such classification.

3.24.3. Before 1974-75 certain items of capital expenditure are merged under revenue expenditure heads, certain other items are shown under capital major heads within the revenue account, some other are initially debited to capital major heads outside the revenue account and then written back to revenue and the rest are classified initially and finally under the capital major heads outside the revenue account. The continuance of these four different types of classification is not necessary as it only leads to proliferation of heads of account without any great advantage. A more satisfactory arrangement would be to prescribe some definite criteria for classifying an item of expenditure as "Revenue" or "Capital". Once the classification is determined with reference to the criteria, the expenditure should be initially and finally classified as such in accounts as well as budget, that is the criteria laid down will determine the classification between 'Revenue' and 'Capital' and the

source (whether revenue budget or capital budget) from which it is financed should follow this classification. The criteria for taking decision in this regard should take into account the nature of the expenditure and also the magnitude of the expenditure. For instance, an arrangement already exists now, under which expenditure on schemes or works in the Government, even though it is of a capital nature, is classified in revenue portion of accounts, though under distinct capital heads where capital major heads within revenue account have been opened or under distinct sub-heads, where capital major heads do not exist subject to certain monetary limits prescribed. After 1974, the capital major heads within the revenue account was deleted and the existing system of recording capital expenditure met from revenue under distinct sub-heads was dispensed with. Further, the expenditure classifiable under these heads should in future be classified under the respective programme and activity minor/sub-heads under the revenue expenditure major heads concerned so that all expenditure on the programme met from revenue expenditure major heads concerned so that all expenditure on the programme met from revenue is available at one place.

3.24.4. The question whether the existing practice of initial capitalization and subsequent write back of certain items of expenditure like commuted value of pensions, grants for development etc., should be continued or not was considered. Compared to the total amount of Governmental expenditure the quantum of expenditure of this type is not of much significance. On the contrary the initial capitalization and subsequent write back only add to avoidable accounting adjustments and budgetary provisions year after year. This procedure of temporary capitalization of expenditure will therefore be given up and such items of expenditure which are of a revenue character, will be initially and finally debited to the relevant revenue major heads. The Revenue budget was being debited every year with the installments write back of expenditure temporarily capitalized and corresponding credits is taken under the Capital budget. Under the new proposals, all future payments of this type would be initially and finally debited to Revenue budget. The question whether in addition to this debit, Revenue budget should also continue to bear the debits on account of installments of write back of outstanding balances under capital heads in respect of past transactions was also considered. As such continuance would unduly distort the Revenue budget and also in view of the fact that the initial expenditure which was capitalized had been voted by the Legislature and that the outstanding balances are only proforma and not "account balances", transactions under capital heads closing to Government, the balances of such items of expenditure under capital heads which are yet to be written off may be dropped proforma, after making a mention in Explanatory Memorandum to the Budget.

### **Exhibition of Working expenses of Commercial Departments/Undertakings**

3.25. One way of looking, at the problem is to account for the receipts and expenses of Commercial Departments and departmentally run Commercial Undertakings on a net basis showing the gross receipts less the working expenses on the receipts side, as was the practice prior to 1961. Advantages claimed under

this system are that it would help in showing readily the net income/loss of a Commercial Undertaking at one place and would also avoid inflation of transactions under expenditure and receipt heads. As against this, it is to state that the expenditure head would not reveal the total of the expenditure incurred in these departments and thus it would not be a correct reflection of accounts. It was felt that the proposal of netting of the receipt side will not show the expenditure of a departmentally run Commercial Undertaking (being a component of a function) under the relevant functional expenditure head of account and that such split up of the programmes under a function will not be conducive to the preparation of performance budget which is by and large expenditure oriented. Treatment of working expenses as reduction of receipts would also to some extent be a mis-statement of facts in that it would not give a correct figure of the total expenditure incurred by Government on the expenditure side. Government, therefore, considered that the balance of advantage lies in recording all forms of Government expenditure on the expenditure side of the account. Accordingly, the earlier procedure of showing the receipts of the commercial departments/ departmentally run commercial undertakings on the receipt side and the working expenses on the expenditure side, was continued.

### **Irrigation, Navigation, Embankment and Drainage works**

3.26. Prior to 1974-75 Irrigation, Navigation, Embankment and Drainage works were divided into commercial and non-commercial and works falling under the category "Commercial" were further classified into "productive" and "un-productive". Some principles of classification of the works into "productive" and "un-productive" have been laid down. These principles contemplate the transfer of works from the "productive" to the "unproductive" category or vice-versa depending on the work satisfying the test of productivity or otherwise. In accounts classification also, separate sub-major heads have been provided under the major head "43.Irrigation, Navigation, Embankment and Drainage Works (Commercial)" for productive and un-productive works. This distinction in accounts classification was done away and the classification of works as productive or un-productive from time to time can be determined with reference to the administrative accounts kept for irrigation, navigation, embankment and drainage works.

### **Codification**

3.27.1. **Sectoral Classification** : - The Sectoral classification is denoted by capital alphabets in separate series for (a) receipt major heads (b) expenditure major heads in the revenue section and (c) capital section, public debt, loans and advances and public account, as indicated in **Appendix-X** Part-III.

3.27.2. **Major Heads of Account** : - (a) Before 1974-75, the major heads in the revenue and capital divisions were numbered serially, Roman numbers being employed on the receipt side and Arabic numbers being employed on the disbursement side. Debt, loans, deposit and remittance heads were not numbered. From 1974, Code numbers for all the major heads in the Consolidated Fund, Contingency Fund and the Public Account have been introduced. These codes will be

a three digit Arabic number code (XXX). The codification pattern was evolved in such a manner that the first digit indicate whether the major head falls in the receipt section or expenditure on revenue account or expenditure on capital account, or loans and advances and Public Debt or Public Account sections. The last two digits will be the same for the corresponding major heads in the revenue receipt section, revenue expenditure section, capital expenditure section and the loans and advances section.

(b). Under this scheme, the receipt major heads were assigned the block 020 to 199, expenditure major heads on revenue account from 211 to 399, expenditure major heads on capital account from 411 to 599, major heads under public debt from 601 to 610 and those under loans and advances inter state settlement and transfer to contingency fund from 611 to 799 and the major heads in the public account from 801 to 899 heads. In the coding under the Consolidated Fund, the number 1, in the first digit indicate that they are receipt major heads and the numbers '2' and '3' in the first digit indicate that they are expenditure major heads on 'Revenue Account'. The numbers '4' and '5' in the first digit indicate that they are Capital Expenditure major heads and the numbers '6' and '7' in the first digit indicate that they are loan major heads.

(c). It may also be noticed that second and third digit in all columns are same for the corresponding major heads in all the sections. If the first digit in the code for the receipt head is '0' the digit in the code for the first corresponding heads in the revenue expenditure section, capital section and loans section will be 2,4 and 6 respectively while if the first digit in the code for the receipt head is 1, the first digit in the code for the corresponding major heads in the revenue expenditure, capital and loan sections will be 3,5 and 7 respectively.

(d). Under this codification system it is adequate if the code for the receipt or the expenditure major head is remembered, and automatically the code numbers for the corresponding heads in other sections can be derived and thus it will obviate the need for remembering different code numbers for the major heads in different sections (other than the Public Account) dealt with by a department or agency. This system establishes complete correlation among the receipt, expenditure, capital and loan heads dealing with the same function or service except in a few cases where corresponding heads in one or other of these sections have not been provided taking into account factors like the magnitude of the receipt or expenditure in that section or the absence of transactions in that section. In such cases, either there is no transaction relating to that function or service under one or other of these sections or the transactions relating to two or more functions or services under a single major head have been combined. For example, the major head "Land Revenue" will not have corresponding heads in the Capital and Loan sections while Elections will not have corresponding heads in Receipt, Capital and Loan sections. Receipts from Elections will be recorded under the major head "other Administrative Services". Provision was also made for assignment of code numbers for possible new major heads in future, without affecting the servility of code numbers. It is also felt that the codification proposed for the major heads will help in the event of mechanization later.

3.27.3. **Codification of sub-major, minor, sub and detailed heads:-** The sub-head and detailed heads of classification, to provide for eventual mechanization was considered. Any system which is suggested, should be capable of adoption to a computer-based system of compilation and consolidation of accounts. As mechanization of Government accounts was not possible, the classification on the vouchers and other documents was indicated by nomenclature as existed prior to 1974, leaving codification below the major head level to be considered separately.

3.27.4. **Identification of Plan schemes:-** To facilitate identification of Plan schemes each Plan scheme was to be indicated by a code number, which was to be recorded on the vouchers as well.

### **CHANGES MADE IN THE CLASSIFICATION OF 1974 AND ADOPTED IN THE REVISED CLASSIFICATION FROM 1.4.1987.**

3.28.1. **Need for change in classification:-** While recommending the revised classification of 1974 the Administrative Reforms Committee also recommended for a periodical review of classification to meet the requirements from time to time.

3.28.2. On account of increase in the divergences between the plan classification and the accounting classification over the years mainly because of the shifts in social priorities and technological advancement, Government of India considered the need to review the structure of accounting and budgetary classification and appointed a Committee to review the then existing accounting classification.

3.28.3. The recommendations of the Committee were examined by Government of India in consultation with Comptroller- General of India and State Governments and it was decided to adopt the new classification with effect from 1.4.1987.

3.28.4. While the broad structure of the accounts namely sectors, sub-sectors, major heads continue to remain as before, certain new sub-sectors were introduced and a few major heads were raised to the level of sub-sectors and certain minor heads to the level of major heads because of their importance and the plan programmes were introduced at the minor head level wherever possible so that the expenditure on plan programmes can be had from the printed finance accounts directly.

#### **The major changes made are indicated hereunder**

3.29.1. **Sectoral Allocation:-** No changes is made in the broad structure of sectors, the existing sector 'Social and Community Services' has been renamed as 'Social Services'. Prior to 1987-88 no sub-sectors existed under this sector. Now eight sub-sectors are introduced under sector Social Services as indicated below: -

(i) Education, Sports, Art and Culture, (ii) Health and Family Welfare, (iii) Water Supply, Sanitation, Housing and Urban Development, (iv) Information and Broadcasting, (v) Welfare of Scheduled Castes, Scheduled Tribes and Backward



Classes, (vi) Labour and labour Welfare, (vii) Social Welfare and Nutrition and (viii) Others.

3.29.2. In sector Economic Services there were five sub-sectors, whereas in the revised classification nine sub-sectors are formed.

3.29.3. The new sub-sector Rural Development is opened so as to indicate the activities and programmes of the rural areas like, N.R.E.P., R.L.E.G.P., Rural Employment etc. the earlier sub-sector Water and Power Development has been bifurcated into two sub-sectors namely "Irrigation and Flood Control" and "Energy" and the single sub-sector "Transport and Communications" has been divided into "Transport" and "Communications".

### **Correlation with Plan Classification**

3.30.1. There were six sectors under plan head of development previously. In view of the increase in the activities under plan programmes, the sectors under the plan head of development have increased to twelve. The new heads of development opened additionally are

- i. Rural Development
- ii. Special Area Development Programmes,
- iii. Energy,
- iv. Communications
- v. Science, Technology and Environment,
- vi. General Economic Services

To the already existing heads namely Agriculture and Allied Services, Irrigation and Flood Control, Industry and Minerals, Transport, Social and General Services.

3.30.2. **Correlation with Plan classification:-** The accounts sector classification proposed above will correspond with plan heads of development. The plan sectors "Agriculture and Allied Services", "Rural Development", "Irrigation and Flood Control", "Energy", "Industry and Minerals". "Transport", "Science Technology and Environment" and "General Economic Service" would correspond to the sub-sectors of the same nomenclature introduced under "Economic Services".

3.30.3. The account sub-sectors Education, Sports, Art and Culture, Water Supply and Sanitation, Housing and Urban Development, Social Welfare and Nutrition under sector Social Services, would correspond to the sub-heads of development, General Education, Sports and Youth Services, Technical Education, Art and Culture, Water Supply and Sanitation, Housing, Urban Development, Social Security and Welfare and Nutrition under Plan heads of development 'Social Services'. The Plan Sub-heads of development, Welfare of Scheduled Castes, Scheduled Tribes and Backward Classes, Health and Family Welfare under "Social Services" would correspond to the account sub-sectors of the same nomenclature under 'Social Services'. "General Services" in the Plan classification shows the various programmes

which would correspond to the schemes relating the account sub-sectors like Fiscal Services, Administrative Services under 'General Services'.

### **Classification by Plan heads of development and Major Heads of Accounts**

3.31.1. The major head Education in the existing classification has been bifurcated into "General Education", "Technical Education" and "Sports and Youth Services" in the revised classification, so as to correspond with the Plan heads of account.

3.31.2. The existing major heads "Medical" and "Public Health, Sanitation and Water Supply" have been rationalized in the revised classification as "Medical and Public Health" "Water Supply and Sanitation" so as to coin-side with the plan heads of development.

3.31.3. The existing major heads "Minor Irrigation" which was under sub-sector "Agriculture and Allied Services" in the existing classification is transferred to sub-sector "Irrigation and Flood Control" to coin-side with plan heads of development.

3.31.4. The existing major head "Irrigation, Navigation, Drainage and Flood Control Projects" in the existing classification is split into major heads "Major Irrigation and Medium Irrigation" and "Flood Control and Drainage" under sub-sector Irrigation and Flood Control on par with the plan heads of development now adopted since 1987-88.

3.31.5. The classification under accounts for "Industries" proposed under capital and loan heads of accounts is more elaborative than the plan classification because while in the plan outlay on Industries it is included under only one head, separate major heads for important groups of Industries like Iron and Steel Industries, non-ferrous and Metallurgical Industries, cement and non-Metallurgical Industries Fertilizer Industries, Petro-chemical Industries, Chemical and Pharmaceutical Industries, Engineering Industries, Telecommunication and Electronic Industries are opened besides Village and Small Industries in the revised accounts classification.

3.31.6. The sub-major head Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes under major head "Social Security and Welfare" in the existing classification is upgraded to that of major head "Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes" coin-side with plan heads of development.

### **CODIFICATION**

3.32.1. **Sectoral Classification:** - The existing practice of denoting capital alphabets to the sector classification is continued in the revised classification also.

3.32.2. **Major Heads of Account:** - While only three digit code was assigned to the major heads in the pre-revised classification a four digit numerical code has been assigned in the revised classification. The coding pattern is that 1<sup>st</sup> digit in the major head under receipts heads is either 0 or 1 and the first digit of corresponding

Revenue Expenditure Heads, Capital Heads and Loans and Advances are derived by adding the number 2 to the first digit in each of the major heads of account.

**The illustration is as follows: -**

Sl. No.	Functions	Major head Code No.			
		Receipt Head under Revenue Section	Expenditure Grant under Revenue Section	Expenditure Grant on Capital Account	Loans and Advances
1	Medical and Public Health	0210	2210	4210	6210
2	Road Transport	1055	3055	5055	7055

3.32.3. In a few cases where corresponding heads have not been provided taking into account factors like the magnitude of the receipts or expenditure, for example the major head 'Land Revenue' will not have corresponding heads in capital and loan sections while the major head, 'Electronics' will not have corresponding head in receipts and capital sections, however the transaction for the above will be recorded under major head 'Other Administrative Services'.

3.32.4 **Sub-Major Heads of Accounts:-** There were very few sub-major heads in earlier classification where as in the revised classification sub-major heads have been opened, under many major heads. Prior 1987-88 alphabetical letters were given to the sub-major heads and now two digit code numbers are assigned in the revised classification.

3.32.5 **Minor Heads of Accounts:-** In the pre-revised classification no code number was assigned by Government of India. However, 3 digit code number is given in the revised classification. In respect of certain minor heads having a common nomenclature under various major heads as far as possible, the same standard three digit code number is adopted.

3.32.6. **Sub and Detailed Heads of Accounts:-** In giving code numbers the existing pattern of two digit code numbers for sub-heads and three digit code numbers for detailed and sub-detailed heads is followed in the revised classification also. However, to facilitate easy identification of certain common schemes, the State Government adopted standard code numbers to the following common sub-heads:

<u>Sub-Head</u>	<u>Code</u>
1. Headquarters Office	01
2. Regional Offices	02
3. District Offices	03
4. Residential Buildings	73
5. Buildings	74
6. Lumpsum Provision	75
7. Suspense	79
8. Other Items/ Expenditure	80

9. Other Receipts	81
10. Add Prorata Charges	90 to 95
11. Deduct Recoveries	96 to 98

3.32.7. Provision also has been made for assignment of code numbers for possible opening of new major/minor/sub-heads of accounts in future without effecting the servility of the code numbers. The codification now proposed upto the level of detailed and sub-detailed heads helped in the computerization of accounts introduced from 1991-92 onwards.

## CHAPTER – 4

### CLASSIFICATION OF RECEIPTS CLASSIFICATION ADOPTED FROM 1-4-1974

4.1. Receipts of Government flow from many sources and are of different kinds. They arise either from activities which are essentially governmental in character involving regulation or compulsion i.e. receipts through taxation and regulatory measures or from activities of a commercial character or are incidental to the functioning of departments. These receipts can be categorized as (i) Tax Revenue and (ii) Non-tax Revenue. Besides, there is another source of receipts namely, transfer of resources in the form of grants-in-aid, share of some duties etc., by the Central Government. In the new scheme of re-organisation of receipt major heads receipts are to be grouped under 3 sectors, namely 'Tax Revenue', 'Non-Tax Revenue' and 'Grants-in-aid and Contributions'.

#### **Tax Revenue**

4.2.1. For a proper understanding of the structure of taxation, it is necessary to group the taxes according to their character. Such a grouping has been made in the economic and functional classification of the Central Government Budget and Reserve Bank's Report on Currency and Finance. It is felt that the grouping adopted in the latter could advantageously be adopted in Government accounts. Accordingly the tax revenues will be classified under three groups namely, (i) Taxes on Income and Expenditure, (ii) Taxes on Property and Capital Transactions and (iii) Taxes on Commodities and Services. Within each group the taxes are further classified according to their source. For example, Taxes on Property and Capital Transactions will include taxes from sources like Land Revenues, Stamp and Registration Fees and Taxes on Commodities and Services will include taxes from sources like Excise Duties and Sales Tax. While attempting this grouping certain changes in the Pre 1974 structure of heads have been made taking into account, the nature of the tax and its relevant importance. Taking into account the importance attached to certain taxes changes have been made to record them under distinct new major heads instead of clubbing them together under a single major head.

4.2.2. Under the various major heads of tax revenue, minor heads depending on the magnitude of the revenue collected under each head have been proposed. Accordingly, certain existing minor heads, which are of little financial significance, have been combined together into a single minor head.

4.2.3. Another important change made in the Pre 1974 structure of minor heads relates to refunds of tax revenue. All refunds were being accounted for under a single minor head styled "Deduct --- Refunds". It would add to the utility of the accounts of the accounts if the refunds are uniformly adjusted below the relevant minor heads. The minor head "Deduct – Refunds", has therefore, not been provided for under the major heads in the sector "Tax Revenue"

## **Non-Tax Revenue**

4.3.1. As a source of revenue, non-tax revenues are not as significant as tax revenue. It could therefore, be argued that an elaborate system of classification for "Non-Tax Revenue" may not be necessary. In certain foreign countries these receipts are classified by type, for example, interest, dividends, rents, sale of products, license fee, services and service fees, sale of property etc. Such a grouping of non-tax receipts according to type would involve aggregation of receipts of particular type from the receipts of a number of functional departments. On the expenditure side, Government has attempted a functional system of classification of head of account. Though in Financial magnitude, they may not be significant, nevertheless it is proposed that the non tax receipts other than receipts interest and dividends may also broadly be classified with reference to the functional service to which the receipts relate. Accordingly, separate receipt major heads corresponding largely to expenditure major heads have been proposed to record non-tax receipts. Receipts of the departments shown under the sector 'Organs of State' will be recorded under the major head "Other administrative services". Receipts from interest will continue to be adjusted under a single major head as at present. It is, however, proposed to bring it under a new sub-sector styled "Interest, Dividends and Profits" which will also include the dividends from Public Undertakings, which till 1974 was being adjusted in a separate section "Contributions and miscellaneous adjustments. All these items will be recorded under a new major head "Dividends and Profits". The major head for interest receipts is dividend into sub-major and minor heads to reflect the interest receipts in a more meaningful manner.

4.3.2. Another change made is that interest realized on cash balances invested by a Government in its own securities which was taken in reduction of expenditure under the expenditure major head for interest payments should be treated as an item of receipt in the same way as interest on cash balance invested in the securities of other Governments.

4.3.3. Under the Pre 1974 classification the receipts transferred by Central Government to State Governments in consideration of the latter administering certain Central Acts were adjusted under a separate major head called "Miscellaneous adjustments between Central and State / Union Territory Governments". As the administration of the Central Acts is in the nature of regulatory service it is felt that it will be appropriate if the charges realized from the Central government for the administration of the central Acts are adjusted in the State Government's Accounts as a receipt pertaining to "General Services". There is no need for a separate major head for these receipts and accordingly the major head has been deleted. The receipts realized under these Acts and regulations will be accounted for under the concerned functional receipt major heads in the accounts of the Central Government.

## **Grants-in-aid and Contributions**

4.4. The question of classification of grants-in-aid received from the Central Government raises certain problems. One view could be that the grants paid by the Central Government to the States are meant for expenditure on particular functions and hence the grants should appropriately be classified under the receipt heads relevant to functional expenditure major heads. But such a functional classification is not possible in the case of statutory grants paid in pursuance of the recommendations of the Finance Commission block grants for State Plan Schemes etc., which constitute a sizable proportion of the total grants paid to the State Governments. In view of this it may not be inappropriate if the transfer of resources is taken as a category by itself and all grants to State are reflected under a single major head as before.

## **Receipts on Capital Account**

4.5. The Pre 1974 arrangement of exhibition of receipts of a Capital nature, related to Capital Outlay outside the Revenue Account as a reduction of expenditure under the concerned Capital Major Head is being continued.

## **General**

4.6. While reorganizing the receipt heads Government also considered the question of netting the receipts against expenditure under the relevant functional heads of account. It is held in certain quarters that the arrangement for showing the receipts and expenditure on separate sides of account does not facilitate ease understanding of the net effect of Governmental operations and that especially in the case of departmental commercial undertakings the system of showing the expenditure as a reduction of receipts would be more appropriate as is the practice in preparing the economic classification of Government transactions. In countries like USA the system of offsetting receipts against expenditure is adopted in respect of activities which are not basically governmental in character e.g. interest and rents realized, sale of produce and property, fees for services rendered etc. Taking expenditure in reduction of receipts or taking receipts in reduction of expenditure will not obviate the need for obtaining the vote of the Legislature of the expenditure. On the other the former arrangement might result in minus receipts under certain heads while the later arrangement will result in understating the actual expenditure in budget and accounts. Government therefore considers that there is no particular advantage in adopting either of these two arrangements and continue the arrangement of keeping the receipts and expenditure on separate sides of the accounts.

## **Changes made in the Classification of 1974 and adopted in the Revised Classification from 1-4-1987.**

4.7. No major changes have been made in the sector classification however certain changes are made in the major heads as indicated below :

4.8. The major heads 'Education' and Art and Culture, are clubbed into one major head 'Education, Sports, Art and Culture' in the revised classification under receipts.

4.9. The major heads 'Medical' and 'Public Health', Sanitation and Water Supply are rationalized into 'Medical and Public Health' and 'Public Health' and 'Water Supply and Sanitation'.

4.10. Certain new major heads are opened namely 'Agricultural Research and Education' 'Other Agricultural Programmes' and 'Non-Conventional Sources of Energy'.

4.11. The nomenclature of 'Community Development' is changed as 'Other Rural Development Programmes'.

4.12. The major heads 'Minor Irrigation', 'Soil Conservation' and 'Area Development' and 'Irrigation, Navigation, Drainage and Flood Control Projects' are rationalized into 'Minor Irrigation and "Major Irrigation and Medium Irrigation'. The sub-functions of Drainage and Flood Control are brought under Minor Irrigation by opening sub-major heads. The sub function 'Soil Conservation' is downgraded as minor head and shown under major head 'Other Agricultural Programmes' and the sub-function 'Navigation' is upgraded into major head "Inland Water Transport'.

4.13. A 4 digit code has been allotted to Major heads in place of 3 digits and 2 digits code allotted to sub major heads. A fresh 3 digit code to all minor heads have been prescribed.



## CHAPTER – 5

### CLASSIFICATION OF EXPENDITURE ON REVENUE ACCOUNT ADOPTED FROM 1-4-1974

5.1. The expenditure major heads on revenue account were grouped into four sectors namely, "A General Services", B. Social and Community Services", "C. Economic Services" and "D. Grants-in-aid and Contributions".

#### General Services

5.2.1. The sector "General Services" was divided into five sub-sectors namely:

- a. "Organs of State",
- b. "Fiscal Services " with three sub-divisions there under namely :
  - i. "Collection of Taxes on Property and Capital Transaction",
  - ii. " Collection of Taxes on Commodities and Services ", and
  - iii. "Other Fiscal Services".
- c. Interest payment and Servicing of Debt.
- d. Administrative Services.
- e. Pensions and Miscellaneous General Services.

5.2.2. **Organs of State:-** The sub-sector "Organs of State" had 5 major heads corresponding to the different functions under this service, (i) State Legislatures, (ii) Governor, (iii) council of Ministers, (iv) Administration of Justice and (v) Election.

5.2.3. **Fiscal Services:-** The second sub-sector "Fiscal Services" had seven major heads to reflect the expenditure of the departments or agencies entrusted with collection of taxes.

5.2.4. **Interest payments and servicing of debt:-** In the major head "Interest Payments", rationalization of minor heads had taken place reducing the number considerably.

5.2.5. **Administrative Services:-** The fourth sub-sector "Administrative Services" had eleven major heads viz., Expenditure on Public Service Commission, Secretariat-General Services and other administrative, and regulatory services like Police, Jails, Fire, Stationery & Printing, District Administration, Treasury and Accounts Administration, Public Works etc. Separate major heads for "Fire Protection and Control" and "Treasury & Accounts administration" were provided. The latter will include State Pay and Accounts Offices and Local Fund Audit. The 'Public Works" major head in this sub-sector will reflect expenditure on Public Works other than expenditure on works relating to (a) residential buildings, (b) roads and bridges and (c) buildings for functional purposes like schools, hospitals, etc.

5.2.6. **Pensions and Miscellaneous General Services:-** The fifth sub-sector had three major heads to include expenditure on pension and other retirement benefits, aid materials and equipment and other miscellaneous expenditure.

## **Social and Community Services**

5.3.1. The sector "Social and Community Services" included functions intended to cater services to the society and community, like Education, Medical, Public Health, Sanitation & Water Supply, Housing, Urban, Development, Social Security and Welfare, Labour and Employment, Information and Publicity. This sector had in fourteen major heads. A separate major head "Secretariat-Social and Community Services" in this sector, was included to reflect the expenditure on the Departments of the Secretariat dealing with the functions/services falling under this sector.

5.3.2. Five new major heads (i) Art and Culture, (ii) Housing, (iii) Urban Development, (iv) Information and Publicity and (v) Social Security and Welfare was included. The major head "Art and Culture" will include expenditure on programmes and activities connected with promotion of art and culture like museums, archaeology, public libraries, fine arts and education. "Housing" will reflect expenditure on construction and maintenance of Government residential buildings and various housing schemes including urban housing schemes undertaken as part of urban development. However, expenditure on staff quarters forming part of a particular scheme or project like the staff quarters of doctors and nurses in a hospital will be accounted for as part of the expenditure on the programme under the relevant functional major head. "Urban Development" will include schemes for development of urban areas, town planning etc. the major head " Information and Publicity" will accommodate expenditure on all programmes and activities connected with the information and publicity service. The major head "Social Security and Welfare" will have the sub-major heads (i) welfare of Scheduled Castes, Scheduled Tribes etc., (ii) Social Welfare which will include relief and rehabilitation of displaced persons, (iv) civil supplies to provide consumer articles at fair prices, (v) other social security and welfare programmes which will include Government insurance schemes, pensions to displaced persons, freedom fighters etc. The idea is to bring under one major head, all expenditure on pogrammes and activities connected with social welfare, which prior to 1974 was scattered over several major heads.

5.3.3. Tourism which appeared as a social developmental service upto 1974 was taken to the sector "Transport and Communication" in the sector 'Economic Services' thus bringing it in line with the classification in the plan.

5.3.4. The introduction of a residuary major head "Other Social and Community Services" in this sector was to take care of programmes not related to other functional major heads.

## **Economic Services**

5.4. The sector "Economic Services" will be divided into five sub-sectors namely:-

- a. "General Economic Services"
- b. "Agriculture and Allied Services"
- c. "Industry and Minerals"

- d. "Water and Power Development"
- e. "Transport and Communications".

Each sub-sector will have major heads to correspond to the various important functions to economic development.

### **General Economic Services**

5.5.1. The sub-sector "General Economic Services" will include the major head "Secretariat-Economic Services" which will exhibit expenditure on departments of the Secretariat administering the functions related to economic development. It will also include the major head relating to the function "Co-operation".

5.5.2. Government considered at length whether "Co-operation" should be regarded as a function by itself, or be regarded as a form of organization for the development of functions in the field of agriculture, industries, dairy development, housing, fisheries, warehousing etc., through co-operative movement. In the latter case, the expenditure on various "functional" co-operatives will have to be exhibited under the concerned functional heads of accounts, while there could be a major head "Co-operation" to account for expenditure on the organization of Registrar of Co-operative Societies, audit of co-operative societies and general-purpose co-operatives. Prior to 1974, the expenditure on development of functional cooperatives through grants-in-aid, subsidies etc., is reflected under the concerned departmental major heads, such schemes being administered by the respective heads of departments, regulatory and audit functions only vesting with the Registrar of Co-operative Societies. On the other hand "Co-operation" is a Plan head of development. To provide link between the head of account and plan head of development, and in view of the importance of co-operative movement as an instrument of development in various fields, it would be appropriate to regard "Co-operation" as a separate function and account for all expenditure on co-operation under a single major head, with minor heads there under to correspond to the various functional co-operatives. Accordingly, we have separate major head "Co-operation" with a number of minor heads there under to correspond to the functional co-operatives. Government also considered whether this major head should be brought under the sub-sector "Agriculture and Allied Services" or "General Economic Services" and felt that since co-operative movement catered not only to the development of agriculture, but also other fields of economic development, it would be appropriate to bring it under "General Economic Services".

5.5.3. "Special and Backward Areas" is a head of development in the plan under the sector "Other Programmes". This programme is for accelerated development of special areas (hill areas,, backward areas, and other special areas) in the State. It would be desirable to have a major head to correspond to this plan head of development so that all expenditure on the development of such areas is reflected at one place which will help monitoring, analysis and evaluation. Accordingly, we have a new major head "Special and Backward Areas" from 1-4-1974.

5.5.4. The major head "Other General Economic Services" in this sub-sector will include expenditure on regulation of joint stock companies, other business undertakings, weights and measures and monopolies and restrictive trade practices. Expenditure on economic advice and statistics not related to any specific function will also be recorded under this head.

### **Agriculture and Allied Services**

5.6.1. This sub-sector will have ten major heads. Government have introduced new major heads, for (i) Minor Irrigation, in view of the large number of schemes undertaken, and assigned a separate plan head of development, (ii) Soil and Water Conservation for the reasons mentioned for Minor Irrigation and (iii) Food and Nutrition to accommodate expenditure on nutrition programmes, food processing and subsidiary food.

5.6.2. The schemes for dairy development and milk supply has been split up from animal husbandry and has been provided a separate major head "Dairy Development."

5.6.3. A new major head for "Fisheries" has been opened.

5.6.4. "Forest" which was included in the "Miscellaneous Section" prior to 1974, has been brought to this sub-sector because forest schemes are allied to development of agriculture, and in the Plan "Forest" is included as a head of development under "Agriculture and Allied Programmes."

5.6.5. "Area Development" is a major programme in the field of Agriculture. This programme is aimed at integrated development of selected command areas within the command of the various River Valley Projects and also at integrated development of agriculture and allied activities in other special areas such as dry areas, desert areas, hill areas, etc. The integrated development covers not only the field of agriculture but also other allied activities like development of fisheries, animal husbandry, link roads, storage and processing facilities for agricultural commodities, creation of marketing complexes etc. The expenditure on "Area Development" up to 1974 was accounted for under "31. Agriculture". In view of the diversified nature of this programme, a separate major head for this programme, "Area Development" in the same manner as "Community Development" has been provided to enable the expenditure on such programmes being available distinctly in budget and accounts.

### **Industry and Minerals**

5.7. This sub-sector will have three major heads namely, "Industries", "Village and Small Industries" and "Mines and Minerals". Under the major head "Industries" Government have proposed sub-major heads for different classes of Industries namely, large and medium industries etc. in view of the considerable magnitude of expenditure on village and small industries which is also a plan head of development, we have separate major head "Village and Small Industries". It is also

suggested that each departmental commercial undertaking related to development of these industries shall appear as a distinct minor head below the sub-major head for the concerned industries or the major head "Village and Small Industries". "Mines and Minerals" is a new major head which will include regulation and development of mines, etc.

## **Water and Power Development**

5.8.1. While retaining the existing major heads "Multipurpose River Valley Schemes", "Irrigation, Navigation, Drainage & Flood Control Projects" and "Power Schemes" in the existing section "Multipurpose river Schemes" etc., it is now proposed to have a new major head "Water & Power Development Services" to account for expenditure on Water and Power Development Services in general and not related to any project or scheme which will go under the above three major heads.

5.8.2. It was decided to have a different treatment in the arrangement of minor head under the Major head "Irrigation, Navigation, Drainage and Flood Control Projects", where each project will appear as a minor head with sub heads for each scheme of the project. The existing minor heads "Works", "Extension and Improvements", "Maintenance & Repairs" etc., are more in the nature of object classification and should appear as detailed heads (lowest tier of classification) below the minor and sub-heads.

5.8.3. "Diesel Schemes" and "Transmission and Distribution Schemes" are now prescribed as sub major heads below the major head "Power Schemes". The sub-major head "Transmission and Distribution Schemes" will record expenditure on schemes not related to any Hydro- electric or Thermo-electric schemes as such like load dispatching stations, etc.

## **Transport and Communications**

5.9. This sub-sector will have five major heads. Two new major heads "Roads and Bridges" and "Tourism" were proposed in this sub-sector. Tourism has been assigned a major head in view of the expanding activities of the Tourist Department.

## **CHANGES MADE IN THE CLASSIFICATION OF 1974 AND ADOPTED THE REVISED CLASSIFICATION FROM 1-4-1987.**

5.10. The grouping of expenditure major heads on revenue accounts are continued in four sectors namely, "A. General Services", "B. Social Services", "C. Economic Services" and "D. Grants-in-aid and Contributions." Only the nomenclature of B. Social and Community services is altered. However code number for major heads have been changed from 3 digits to 4 digits and introduced a 2-digit code number to sub major heads. The minor heads were allotted 3-digit code number. This has been adopted in all cases be in Receipts, Revenue expenditure, Capital, Loan heads or Public Account in Part-III.

5.10.2. No changes are made in the sub-sectors. The existing major head "Fire Protection and Control" under sub-sector "Administrative Services" is downgraded as minor head and shown as minor head under major head "Other Administrative Services".

## **Social Services**

5.11.1. Prior to 1987 no sub-sectors existed under this sector. However eight sub-sectors are opened in the revised classification namely:-

- a. Education, Sports, Art and Culture
- b. Health and Family Welfare.
- c. Water Supply, Sanitation, Housing and Urban Development.
- d. Information and Broadcasting.
- e. Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes.
- f. Labour and Labour Welfare.
- g. Social welfare and Nutrition, and
- h. Others.

5.11.2. The former major head "Education" is split up into "General Education", "Technical Education" and "Sports and Youth Services".

5.11.3. In view of the increased activities and programmes for the uplift of weaker sections, a separate major head "Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes" is opened in the revised classification by disliking from the existing major head "Social Security and Welfare".

5.11.4. The major head "Public Health, Sanitation and Water Supply" has been bifurcated and Public Health is clubbed with Medical and major head is formed for "Water Supply and Sanitation".

5.11.5 A separate major head "Nutrition" is opened in the revised classification to record the expenditure relating to the Nutrition Programme under Child welfare.

5.11.6. "Civil Supplies" which hitherto appear under "Social and Community Services" is taken to the "General Economic Services" under section "Economic Services" after restructuring of accounts classification from 1-4-1987.

5.11.7. A residuary major head "Other Social Services" is opened in Social Services sector to take care of programmes not related to other functional major heads.

## **Economic Services**

5.12. As against 5 (five) sub-sectors before, eight sub-sectors have been opened by opening major heads under each. The sub-sectors are:

- a. Agriculture and Allied Activities.
- b. Rural Development.
- c. Irrigation and Flood Control.

- d. Energy.
- e. Industry and Minerals.
- f. Transport
- g. Science, Technology and Environment, and
- h. General Economic Services.

Each sub-sector will have major heads to correspond to the various important functions of economic development.

### **Agriculture and Allied Activities**

5.13.1. This sub-sector will have twelve major heads as against ten major heads prior to 1987. The existing minor head 'Plant Protection' under major head Agriculture is upgraded to that of major head 'Plantations' for recording expenditure in respect of each plantation scheme like Tea, Coffee, Rubber etc., under separate sub-major heads. New major head "Agricultural Research and Education" with a view to assess the correct expenditure on Research and Education activities of each functional major heads of the Sub-sector and separate major head "Agricultural Financing Institutions" are opened in the revised classification.

5.13.2. The major heads "Minor Irrigation" is shifted to the newly formed sub-sector "Irrigation and Flood Control" so as to correspond with the plan head of development.

5.13.3. The major head "Agriculture" had been renamed as 'Crop Husbandry' so as to correlate with the plan head of development.

5.13.4. The major head 'Forest' has been renamed as 'Forestry and Wild Life' to accommodate the expenditure on wild life, sanctuaries etc., under separate sub-major head.

5.13.5. The major head 'Co-operation' has been shifted from sub-sector 'General Economic Services' to 'Agriculture and Allied Activities' so as to correlate to the plan head of development. Before 1987 classification the functional major head "Co-operation" was treated as omnibus function with minor heads for various functional co-operatives, whereas it is now proposed to bring the functional co-operatives under respective functional major heads. 'Co-operation will account for expenditure of regulatory nature, Administrative Co-operatives, Audit of Co-operatives, Assistance to Credit Co-operatives.

### **Rural Development:**

5.14. Rural Development is upgraded as a sub-sector under sector 'Economic Services' bringing out certain programmes from the existing sub-sector "Agriculture and Allied Services" with the following major heads.

- a. Rural Employment
- b. Special Programmes for Rural Development (to cover I.R.D.P., D.P.A.P., etc)

- c. Land Reforms.
- d. Other Rural Development Programmes.

### **Irrigation and Flood Control:**

5.15.1. Irrigation and Flood Control is upgraded as a sub-sector under sector "Economic Services" by bifurcating the existing sub-major head 'Water and Power Development'. Four major heads have been opened under this sub-sector.

5.15.2. The existing major head 'Multipurpose River Projects' have been split up and brought under respective major heads 'Major and Medium Irrigation' and 'Power'.

5.15.3 The major head 'Irrigation, Navigation, Drainage and Flood Control Project is rationalized and made separate functional major heads 'Major Irrigation and Medium Irrigation' and Flood Control and Drainage' under sub-sector 'Irrigation and Flood Control' and 'Inland Water Transport' under sub-sector 'Transport'.

5.15.4. The functional major head 'Minor Irrigation', provides to record expenditure separately for surface water and ground water.

### **Energy:**

5.16.1 The major head 'Power Projects' is renamed as 'Power' and a separate major head for 'Non-Conventional Sources of Energy' is formed for recording the expenditure on Bio energy, Solar, Wind etc.,

5.16.2. A separate sub major head 'Rural Electrification' under 'Power' is opened in view of giving much importance to the schemes relating to rural electrification. The sub-major head "Transmission and Distribution Scheme' will record expenditure on schemes not related to any Hydel or Thermal Power Generation schemes and record expenditure like load dispatching stations etc.

### **Industries and Minerals:**

5.17. The sub-sector will have five major heads. The major head 'Mines and Minerals' is abolished and a sub-major head 'Regulation and Development of Mines' under major head 'Non-Ferrous Mining and Metallurgical Industries' has been opened.

### **Transport:**

5.18.1. The existing sub-sector "Transport and Communications" is divided into two sub-sectors viz., "Transport" and "Communications" in view of the increased activities under this section and also to correlate with the plan head of development.

5.18.2. The major head 'Road and Water Transport Services' has been bifurcated and separate major heads for 'Road Transport' and 'Inland water Transport are opened in the revised classification.



## **Science, Technology and Environment:**

5.19. Science and Technology which was a major head in the 'Social and Community Services' is upgraded to a sub-sector status under 'Economic Services' in the revised classification as 'Science, Technology and Environment' with suitable major heads there under.

## **General Economic Services:**

5.20.1 "Tourism" a function under sub-sector "Transport and Communication" has been shifted to sub-sector 'General Economic Services'.

5.20.2 The function 'Civil Supplies' which was under 'Social and Community Services' sector has been brought under 'Economic Services'.

5.20.3 The new major head 'Census Surveys and Statistics' will record expenditure on census Operations and Bureau of Economics and Statistics.

## CHAPTER -6

### CLASSIFICATION OF CAPITAL EXPENDITURE ADOPTED FROM 1-4-1974

6.1. It was decided that for the capital expenditures, the same sectoral classifications as for the revenue expenditure may be adopted. However, in the arrangement of major heads the financial magnitudes of the expenditure of various programmes on capital account vis-à-vis the revenue expenditure on those programmes have been taken into account. Thus in certain cases the magnitude of capital expenditure on a function will not warrant a separate capital major head even though there is a separate revenue major head for that function.

6.2. Conversely the magnitude of expenditure in certain other cases would warrant a number of major heads for programmes under functions while corresponding major heads for revenue expenditure may not be necessary.

6.3. Thus in the field of industrial development, Government have proposed eight capital major heads like Industrial Research and Development, Village & Small Industries, Mining & Metallurgical Industries, Machinery and Engineering Industries, Petroleum, Chemicals and Fertilizers Industries, Consumer Industries, other Industries (residuary head will include opium and alkaloid factories) etc., whereas in the revenue section, only three major heads namely "Industries", "Villages and Small Industries" and "Mines and Minerals" were proposed. Also a separate major head "Investments in Industrial Financial Institutions" which will record investments in Industrial Financial Corporations etc., has been informed.

6.4. On the contrary, in the Agriculture Sector, Capital Outlay on Minor Irrigation, Soil and Water Conservation and Area Development Programmes have been combined under one major head entitled "Capital Outlay on Minor Irrigation, Soil Conservation and Area Development" whereas, in the revenue section, it was convenient to have separate major heads for these programmes. Similarly in the sector "Capital Account of General Services", we have only 5 major heads namely "Capital Outlay on Police, Capital Outlay on Stationery and Printing, Capital outlay on Public works (to record expenditure on works relating to Residential Buildings and Roads), Capital Outlay on Other Administrative Services and Capital Outlay on Miscellaneous General Services, as Capital Outlay in respect of the various functions included under "General and Administrative Services" presently do not warrant a separate capital head for each of the functions.

6.5. A similar approach has been adopted in the scheme of major heads under the sector, "Social Community Services" renamed as Social Services with effect from 1-4-1987 and includes 12 major heads.

6.6. In all, 60 Capital Major Heads have been prescribed under the sector Capital Outlay on Economic Services under 10 sub-sectors.

### **6.7.1. Other significant changes are discussed below:-**

#### **Capital Outlay on investment in non-departmental commercial and industrial undertakings.**

6.7.2. Prior to 1974 investments in non-departmental commercial and industrial undertakings were reflected under an omnibus major head namely, "96. Capital Outlay on Industrial and Economic Development", irrespective of the function to which the investments relate. This arrangement, though it enables bringing together in one place in the accounts all the Investments in Government Companies and other Companies, Corporations etc., has resulted in other major heads not reflecting the entire outlay on the various functions and programmes. If the account heads need not to be correlated to plan heads of development, it would be necessary to bring under the various accounts heads the entire outlay including investments in public sector and other undertakings on the functions or programmes represented by the account heads. It is considered that it will be more appropriate to bring the investments in public sector and other commercial and industrial undertakings under the relevant functional capital major heads of account. Accordingly, the major head of account "Capital Outlay on Industrial and Economic Development" was abolished and the investments were transferred to relevant functional major heads. For example, investments in public sector undertakings dealing with machinery and engineering industries will be reflected as expenditure under the major heads in the capital section will show not only the direct capital outlay on the functions but also the investments in public sector and other commercial and industrial undertakings relating to the functions. Investments in public sector and other undertaking will appear as activities under the relevant programmes and will be recorded under separate sub-heads below the concerned programme minor heads.

6.7.3. In case expenditure on a particular investment cannot be identified with a programme minor head, it will be accounted for under the residuary minor head "Other Expenditure" in the relevant functional major head.

#### **Capital Outlay on State Trading Schemes.**

6.8.1. Government have abolished the omnibus major head, "Capital Outlay; on Schemes of Government Trading" which prior to 1974 was accommodating the following types of transactions:-

- (i). Schemes where Government undertake purchase processing and sale of certain essential commodities purely as commercial ventures like "Tendu Leaves Trading Scheme, Milk Supply Scheme", etc.
- (ii) Schemes where Governments undertake purchase and sale of certain essential commodities as a social security to ensure their equitable distribution to consumers at reasonable rates, e.g., Grain Supply Scheme, Scheme for purchase and sale of steel and cement for agricultural purposes, etc.
- (iii) Schemes where Government undertake certain developmental works collectively on behalf of a number of beneficiaries from whom the cost

is recovered ultimately either in full or in part, treating the amount recoverable as loan and the balance as subsidy, e.g., agricultural implements and pump sets schemes; cultivable land development scheme.

- (iv) Schemes where commodities are purchased in bulk to distribute to the users, Government departments or members of public, e.g., bulk purchase of material and equipment for malaria/filarial eradication programmes.
- (v) Material and equipment received as free aid from foreign countries and outside bodies.

6.8.2 Government have considered the classification of the transactions relating to the different types of the schemes listed above. Schemes falling under type (I) above are basically commercial ventures and operating expenses relating to such schemes should, as in the case of working expenses of regularly constituted commercial departments of Governments, be debited as revenue expenditure under the major head relevant to the functions to which the schemes relate. For example, expenditure on Milk Scheme will be debited to the major head "Dairy Development", and that on Tendu Leaves Trading Scheme to the major head "Forest". The receipts accruing from such schemes will be credited to the corresponding receipt major head. For the accountable of receipts and working expenses of commercial undertakings, distinct minor heads with the nomenclature of the commercial undertakings will be opened under the relevant receipts and expenditure major heads. For State Trading Schemes of commercial nature also a similar procedure should be followed and distinct minor heads may be opened under the receipt and expenditure major heads. Expenditure of a capital nature on land, buildings, equipments etc., relating to such schemes will be recorded under the relevant capital major head.

6.8.3. Schemes falling under types (ii) and (iii) are basically social security measures. The expenditure incurred on these schemes does not strictly conform to the definition of capital expenditure in that no concrete assets of material and permanent character are produced. While it would not, therefore, be inappropriate to account for expenditure on such schemes as revenue expenditure under the relevant functional major head, Government however, to take into account whether such a classification would have a distorting effect on the Revenue Budget. This may happen if the scheme is such that an outlay it is considerable, and liable to fluctuate from year to year which is the reason for its present classification under capital. It is therefore decided that the criteria for the exhibition of expenditure on such schemes as revenue or capital expenditure should be with reference to the magnitude of the outlay on the schemes and also whether it is of a fluctuating nature. Thus for example, the grain supply schemes, scheme for purchase and distribution of fertilizers may be classified as schemes of a capital nature while scheme for purchase of pumping sets for supply to the agriculturists could be classified as revenue expenditure. In either case the transactions will be recorded under the major heads relevant to the functions to which the schemes relate. Receipts accruing from such schemes like sale proceeds etc., will be accounted for as revenue receipts

or reduction of capital outlay according as the expenditure is met from revenue or capital.

6.8.4 The above criteria for the recording of the expenditure of schemes falling under type (iv) under revenue or capital will be adopted.

6.8.5 *Materials, equipments and other commodities received from foreign countries as aid:-*

- a. The receipt of this aid does not involve any cash outgo. It is considered whether such aid need at all passes through regular Government accounts. To ensure proper accountable of the aid received and also to facilitate the exhibition of the actual use of the aid under the various functional heads of account so as to present as complete a picture as possible. It is felt that foreign aid received by Government should be accounted for in regular Government accounts.
- b. In the books of the State Governments when such aid is transferred by the Central Government, the value of the aid received will be taken either as grants-in-aid or loan received from the Central Government by contra debit to the major head 'Aid Materials and Equipment in all cases. The debit under the expenditure major heads "Aid materials and Equipment" will be relieved by a deduct entry, by contra debit to the relevant functional expenditure head of account with reference to the use of such materials.

6.9. *Abolition of the Scheme of temporary capitalization of certain transactions:-* Consequential to doing away with the concept of temporary capitalization of certain transactions and writing them back to revenue over a period of years, the existing capital major heads "Capital Outlay on Pension" will be abolished in the scheme of revised major and minor heads of account

6.10. *Appropriations to the Contingency Fund:-* Prior to 1974 there was a major head in the capital section. Where transactions recorded under the major head were in the nature of transfer from the Consolidated fund to the Contingency Fund, from 1974 onwards we have this major head was placed under a separate sector called the "Transfer to Contingency Fund", after the sector "Inter-State Settlement".

**Changes made in the classification of 1974 and adopted in classification from 1-4-1987.**

6.11. No major changes are made in the revised classification adopted from 1-4-1987 in the capital expenditure and the same sectoral and functional classification as per the revenue expenditure is adopted. In certain cases the magnitude of expenditure on a function will not warrant a separate capital major heads even though there is a separate revenue major head for that function. In certain other cases, the magnitude of expenditure would warrant a number of major heads for programmes under a function while corresponding major heads for revenue expenditure may not be necessary.

6.12. Thus in the field of Education, there are four major heads 'General Education', 'Technical Education', 'Sports and Youth Services' and 'Art and Culture' under revenue expenditure, whereas only one major head ' Capital Outlay on Education, Sports, Art and Culture' under capital sector is opened to record capital nature of expenditure of all functions shown under revenue expenditure.

6.13. On the contrary, twelve capital major heads under Industrial Sector are opened namely 'Iron and Steel Industries', 'Non-Ferrous Mining and Metallurgical Industries', 'Non-Metallic Mineral Industries', 'Fertilizer Industries', 'Petro-Chemical Industries', 'Chemicals and Pharmaceutical Industries', 'Consumer Industries', 'Engineering Industries', 'Telecommunication and Electronic Industries', 'Other Industries and Minerals' beside Villages and Small Industries under capital sector where as only 4 (four) major heads 'Industries', 'Non-Ferrous Mining and Metallurgical', Other Industries and other Outlays on Industries and minerals, besides Village and Small Industries are opened under revenue sector.

## CHAPTER – 7

### PUBLIC WORKS CLASSIFICATION ADOPTED FROM 1-4-1974

7.1. Earlier, proposals for the exhibition of expenditure on construction and maintenance of non-residential buildings, residential buildings and roads and bridges have been discussed. Under these proposals, the scope of the major head “Public Works” in the Revenue section and “Capital Outlay on Public Works” in the Capital section will be restricted to (a) expenditure on construction of non-residential buildings relatable to the various functions under “General Services” and all administrative and office buildings as distinct from buildings for functional purposes like schools, etc., and (b) expenditure on maintenance of all non-residential buildings whether for administrative or functional purposes. The expenditure on construction of buildings for functional purposes like hospitals, schools and colleges will be accounted for under the appropriate functional major heads of account both in the revenue and the capital section. In this chapter, the consequential budgetary and accounting arrangements under certain allied matters like the allocation of charges on account of Common Establishment, Tools & Plant etc. are explained.

7.2. Though the expenditure on original works of construction etc., for functional buildings like hospitals, schools etc., will be classified in accounts under the appropriate functional major heads, it is not the intention to treat the Public Works Department as a mere executing agency of the departments concerned with the function, and to divert it of its responsibility for budgeting, control over expenditure etc., or to disturb the existing arrangements over the administrative control over such buildings after construction. The estimating authorities for these works will continue to be the Public Works Department and its subordinate formations as prior to 1-4-1974.

7.3. A distinct sub-head with the nomenclature “Buildings” was opened under the various programme minor heads below the functional major heads in the sectors “Social and Community Services” and “Economic Services”, both in the revenue and capital sections. This sub-head under the various major heads in these sectors will be exclusively operated by the Public Works Department in their budget estimates and accounts. This is the variation from 1974 procedure under which the various major heads /departments appear as minor heads under the omnibus Public Works Major Heads “50. Public Works” and “103. Capital Outlay on Public Works”. Expenditure on the work of construction of a Government secondary school will appear under the sub-head “Buildings” below the minor head “Education-B. Secondary-Government Secondary Schools” or below the minor head “Capital Outlay on Education-Secondary”, according as the expenditure is met from revenue or capital. Where the “functional” buildings cannot be identified with any particular programme under a function, it will be accounted for under the sub-head “Buildings” below the residuary minor head “Other Expenditure” in the functional major head.

7.4. Expenditure on original works relating to all general and administrative office buildings and also other buildings which exclusively relate to functions under “

General Services" will be classified under the minor head" Construction" below the major head "Public works" or "Capital Outlay on Public Works" as the case may be. This minor head will be divided into sub-heads corresponding to the functional major heads. However, in the case of non-residential buildings of commercial undertakings the works expenditure will be recorded under a district sub-head below the minor heads provided for these undertakings in the revenue and capital sections.

7.5. ***Treatment of 'Original Works' relatable to revenue and capital:-*** Before 1974, original works were classified in the Public Works Accounts into major works and minor works with reference to financial limits prescribed in the Public Works Account Codes of the Central and State Governments. According to the principles of allocation of expenditure between capital and revenue adopted by the Central and State Governments, in the case of new works. Where the cost individually exceeds Rs.5 lakh or where the individual cost is below this limit but the works form part of a scheme having a continuity of purpose, time and space and the cost of the scheme, as a whole, exceeds Rs.25 lakhs, expenditure is debited to capital while expenditure on other works is debited to the revenue budget. Since the monetary limit for the classification of a work as a major work is the same as the monetary limit for the classification of expenditure on new works as capital, effect, all original works falling under the category of 'major works' will go to capital and those falling under the category 'minor works' to revenue. However, minor works forming part of a scheme whose cost exceeds Rs.25 lakhs are being debited to capital. The above principles should continue to be followed in regard to classification of expenditure between Revenue and Capital under revised classification also.

7.6. All expenditure on temporary structures, whether falling under the category of major works or minor works will be met from revenue.

7.7. ***Maintenance and Repairs:*** Expenditure on maintenance and repairs of all non-residential buildings will be classified under the minor head "Public Works". The earlier distinction between 'Ordinary Repairs' and Special Repairs' in the case of non-residential buildings is not considered necessary and it will be dispensed with. The distinction will, however, be kept in the cases of 'Residential Buildings', as special repairs would add to the capital cost of the buildings and thus be a determining factor in assessing the 'standard rent' of the building. (The expenditure on maintenance and repairs of residential buildings will be reflected under the head "Housing-B. Government Residential Buildings").

7.8. ***Allocation of Common "Establishment and Tools and Plant Charges":-*** Before 1974, there were common establishments for dealing with the works both in regard to 'Buildings and communications' (Roads), known as "Roads and Buildings" Branch. The question of apportionment in the accounts of the Common Establishment/Tools and Plant charges incurred in these branches among the various major heads was considered and the following principles will be followed having due regard to simplicity in accounts.



- a) From 1974, also the charges on account of the "Common Establishment/Tools and Plant" will continue to be accounted for initially under the major head "Public Works" under the minor heads "Direction and Administration" and "Machinery and Equipment" respectively.
- b) Distribution of these charges in respect of the works charged to "Revenue" proportionately to the various functional major heads within the 'Revenue Section' is not necessary, as this will lead to unnecessary and meticulous calculations, which may be avoided. However, the distributable establishment and tools and plant charges may be allocated proportionately to the major heads "Housing" and "Roads and Bridges" in respect of works relating to residential buildings and roads and bridges, so that the outlay on residential buildings and roads and bridges includes departmental supervision charges. Similarly, proportionate charges will be allocated in respect of works relating to Commercial Departments or Undertakings.
- c) Where a common Public works Establishment caters to works both under 'Revenue' and the 'Capital' sections proportionate establishment and tools and plant charges should be allocated to the capital heads and in respect of all works debited to capital.
- d) Appendix-II Part III indicates the detailed procedure regarding adopting in the matter of distribution of Common Establishment / Tools and Plant Charges.

#### **CHANGES MADE IN THE CLASSIFICATION OF 1974 AND ADOPTED IN THE REVISED CLASSIFICATION FROM 1-4-1987.**

7.9. Prior to 1-4-1974 no sub-major heads existed under "Public Works" and now three sub-major heads are opened in the revised classification namely "Office Buildings", "Other Buildings" and "General".

7.10. Under "Office Buildings" the expenditure on works relating to general purpose, office and administrative buildings will be recorded.

7.11. The expenditure on functional buildings relating to general services such as "Police Station Buildings", "Court Buildings" etc., will be recorded under sub-major head "Other Buildings".

## **CHAPTER – 8**

### **PUBLIC DEBT CLASSIFICATION ADOPTED FROM 1-4-1974**

8.1. The heads of account in the sections "Public Debt" and "Loans and Advances" have been restructures so as to make the budget and accounts more informative and meaningful.

8.2. Before 1974 Public Debt of a Government, was classified as "Permanent Debt" and "Floating Debt". This connotation is rather misleading as no debt or borrowing except amounts deposited with Government, as trust for utilization of income derived from interest on such trusts, is a permanent debt. Hence, this distinction was required and divided the Public Debt into major heads, "Internal Debt of the State Government" and "Loans and Advances from the Central Government". With the description of the major heads as above, the practice of showing these heads in separate sections for Central and State Public Debt will be discontinued.

8.3. The major head "Internal Debt of the State Government" had minor heads for "Market Loans" and "Loans from LIC, GIC, NABARD, NCDC and other Institutions". The major head "Loans and Advances from the Central Government" was divided into meaningful sub-major heads, namely, "Loans for Non-Plan Schemes", "Block Loans for State Plan Schemes", "Loans for Central Plan Schemes", "Loans for Centrally Sponsored Schemes" and "Ways and Means Advances" with minor heads there under corresponding to functions/programmes for which the loans have been taken form the Central Government.

8.4. No major changes are made in the revised classification from 1-4-1987.

## CHAPTER - 9

### LOANS AND ADVANCES CLASSIFICATION ADOPTED FROM 1-4-1974

9.1. Prior to 1-4-1974, the pattern of major heads in this section was not functional. The major heads were linked with the institution or organization to which loans and advances are paid. For example, the major head "Loans to local funds, private parties," etc., reflects the payment of loans to local funds, private parties, etc. This arrangement was not rational and meaningful, since the budget and account heads do not reflect fully the input or outlay through loans on functions, programmes and activities.

9.2. Two alternatives were considered. One alternative would be to keep the pattern of major heads corresponding to recipient institutions, etc., with some streamlining to make it more informative and meaningful, and to have sub-major heads under each to correspond to the sectors in the revenue and capital sections viz., "Social and Community Services", "Economic Services" etc., with minor heads under each sub-major heads to correspond to the functional major heads in the revenue/capital sections and programmes there under. This has the advantage of knowing the total loan assistance given to particular categories of organizations or private parties under one major head and at the same time the function and programme-wise assistance given to such organisations but it has the draw back in that if we want to know the assistance given for a particular function/programme, the information has to be collected from the various recipients based major heads. Again, this pattern of classification will be different from the scheme proposed in the revenue and capital sections.

9.3. The other alternative would be to have the major heads corresponding to functional major heads in the capital account with minor heads under each to correspond to functional programmes for which loans are given the recipient institutions or organizations and the schemes for which the loans are given, will be indicated at the sub-head level. This system will enable the management and legislature to know the in-put in the form of loans into a function/programme readily but it suffers from the drawback that if one wants to know the loan assistance to a particular type of organization for various purposes, he has to collect the information from several major heads.

9.4. The pros and cons of both the systems were considered and government have come to the conclusion that the second alternative would be a logical step in the scheme of function/programme oriented classification structure, subject, however, to the exceptions in the case of Loans to Government Servants, where the existing arrangement of omnibus major heads has certain definite advantages in the matter of budgeting and control over expenditure. Under this system, there could be the mechanism of a "cross walk" to know the total loan assistance to each type of organization. This scheme has also another advantage that as in revenue and capital loan major heads can be operated by both the Central and state Governments and

the prevailing pattern of separate sections for the Central and state Governments could be given up.

9.5. The loan major heads introduced in the revised set up will mostly correspond to the capital major heads outside the revenue account. The minor heads under each major head will reflect the programmes under each function and will have the same nomenclature as the corresponding programme minor heads in the revenue and capital sections. A residuary minor head has been proposed to accommodate loans which cannot be identified with any programme or which cut across several programmes under a function.

9.6. Broadly, the recipients of loans fall under (i) Municipalities, Municipal Corporations and other Local Funds, (ii) Panchyat Raj Institutions, (iii) Public Sector and other undertakings, (iv) Co-operative Institutions, (v) Cultivators, (vi) Port Trusts and (vii) Other Parties. The different categories of recipients of loans mentioned above will be assigned distinct sub-heads so as to get the information about the loan assistance made to any particular category. It will also be necessary to identify the scheme for which the loans are made. The sub-heads should therefore indicate not only the category of the loan recipients but also the schemes. Thus loans given to different categories of institutions or organisations (e.g., Public Undertakings, Municipalities, Local Funds, Cultivators, etc.) for a scheme will be accounted for under distinct sub-heads. For example, if loans are given for Lift Irrigation Schemes to the Cultivators and also to the Panchyat Raj Institutions etc., separate sub-heads as "Loans to Cultivators-Lift Irrigation Schemes" and "Loans to Panchyati Raj Institutions-Lift Irrigation Schemes" may be opened below the programme minor head "Minor Irrigation" under the major head "Loans for Minor Irrigation, Soil Conservation and Area Development".

9.7. It may happen that under a programme, a particular category is given loans for different schemes, in which case, there will be separate sub-heads for each such scheme.

9.8. In respect of loans given for miscellaneous purposes, which either cut across various functions or cannot be identified with any particular function, we have an omnibus major head called "Miscellaneous Loans".

9.9. No major changes are made in the revised classification adopted from 1-4-1987.

## CHAPTER – 10

### PUBLIC ACCOUNT CLASSIFICATION ADOPTED FROM 1-4-1974

10.1. The "Public Account" of the Government incorporates transaction in respect of which Government functions as a banker, and incurs a liability to repay the moneys received or has a claim to recover the amounts paid as distinct from transactions relating to the receipts and disbursements on revenue, capital and loan accounts. It also includes "Suspense" and "Remittance" heads, which are, operated as mere adjusting heads pending eventual clearance by either transfer to the final heads of account, payment or recovery.

10.2. There has been a proliferation of the heads of account over a period of years, which could have been avoided to some extent, if a periodical review had been made to group some of the heads and to delete some of the obsolete heads. An appropriate and well-defined grouping of the existing major and minor heads, to bring transactions of the same or similar nature under a group or head of account, and deletion of obsolete heads will rationalize the classification structure in the Public Account and reduce the number of heads.

10.3. The major heads in Public Account have been grouped under the following sectors.

Small Savings, Provident Funds, etc.

Reserve Funds.

Deposits and Advances.

Suspense and Miscellaneous.

Remittances.

Cash Balance.

The salient features are explained in the following paragraphs:-

#### ***Small Savings, Provident Funds etc.***

10.4.1. This sector will record transactions which were upto 1974, accounted for under the section "Unfunded Debt". The change in the nomenclature of the section was because the term "Unfunded Debt" was considered appropriate, as the transactions were not really in the nature of borrowing by Government.

10.4.2. The pre 1974 major head "Special Loans" in the Section "Unfunded Debt" accommodated certain perpetual loans, some endowments for the payment of pensions, etc., certain trusts and endowments for charitable institutions. Perpetual loans are also in the nature of a trust in the sense that these loans are not repayable but interest on these loans is only paid. The nomenclature of the head "Special Loans" does not correctly portray the nature of transactions. A new major head "Trusts and Endowments" has been proposed in the sector to record transactions connected with all types of trusts and endowments including perpetual loans and Treasury Notes. Certain types of trusts and endowments which shown under distinct

major or minor heads in the section 'Deposits', will be brought under the new major head "Trusts and Endowments".

**This sector will have the following sub-sections:-**

10.4.3. (i) Provident funds with one major head, namely 'State Provident Funds' (ii) Other Accounts with major heads for "Trusts and Endowments, 'Insurance and Pension Funds' and Special Deposits and Accounts'.

**Reserve Funds**

10.5.1. Prior to 1-4-1974, 'Reserve Funds' were shown in the Public Account" under the Sections "Deposits bearing interest" or 'Deposits not bearing interest' according as they bear interest or not. The feasibility of transfer of Reserve Funds created out of grants from the Consolidated Fund, from the Public Account Section to the Consolidated Fund was considered as the balances in such Reserve Funds really represented part of the balance in the Consolidated Fund. But such a course presented various practical budgetary and accounting difficulties, and hence it is proposed that the present arrangement may be continued. There is however much scope for reducing the number of Reserve Funds, and a review may be undertaken so that the funds are kept only in the cases where either because of statutory requirements or otherwise, it is absolutely essential to create a reserve fund.

10.5.2. The appropriateness of the existing arrangement of keeping "Reserve Funds" as part of the Deposit section was examined and considered that the 'Reserve Funds' being essentially in the nature of earmarked funds created by Government out of their own balances should form a separate sector called "Reserve Funds". This sector will have two subdivisions, one for the Funds bearing interest' and the other for the 'Funds not bearing interest' and will be placed immediately after the sector "Small Savings, Provident Funds", etc.

10.5.3. The sub-sector 'Reserve Funds bearing interest' will have the following major heads:

- (i) Depreciation/Renewal Reserve Fund
- (ii) Revenue Reserve Funds.
- (iii) General and other Reserve Funds.

10.5.4. The sub-sector 'Reserve Funds not bearing interest' will have the following major heads:

- (i) Sinking Funds.
- (ii) Famine Relief Fund.
- (iii) State Road and Bridges Fund.
- (iv) Depreciation/Renewal Reserve Funds.
- (v) Development and Welfare Funds.
- (vi) General and other Reserve Funds.

10.5.5. Reserve Funds of like nature will be grouped and placed under a single minor head, and each individual reserve Fund will appear as a distinct sub-head below the relevant minor head.

10.5.6. Wherever the funds are invested, the sub-head for the investment account will appear immediately below the minor head or sub-head for the Reserve Fund concerned.

## **DEPOSITS AND ADVANCES**

### **Deposits**

10.6.1. The major changes proposed in the sector are, (a) simplification of procedure for accountable of expenditure out of grants-in-aid received by Government from outside agencies and elimination of a number of deposit accounts and (b) Rationalization in the grouping of major heads.

10.6.2. Under the existing procedure, grants-in-aid received by Government from outside agencies for specific purposes, where the agencies do not retain control over the execution of the scheme/project for which they are intended, are taken as 'receipts' under the relevant receipt major head and at the same time an equivalent amount is transferred to a "Deposit Account" by taking a vote for the transfer under the relevant expenditure major head. Expenditure incurred on the scheme is also initially debited to the expenditure major head concerned and an equivalent amount is shown as met from the deposit account and transferred through a deduct entry. This procedure involves double voting, one for the transfer of funds from Consolidated Fund to the Deposit section in the Public Account, and the other for the expenditure on the scheme and consequential accounting adjustments. It is complicated and does not serve any purpose except to know the balance in the account of grants from the outside agency. This purpose could therefore be served as well by keeping suitable proforma account of the grant and expenditure. It is decided that the creation of deposit account in the public Account may be dispensed with and that the grants may be taken as 'Receipts under the receipt major head concerned and the expenditure on the scheme/project as expenditure under the expenditure major head. Where the outside agencies who make grants-in-aid to the Government for specific schemes or projects, retain control over the execution of the schemes/projects, grants-in-aid received from such agencies will be taken direct to a deposit account and the expenditure on the schemes/projects will also be debited direct to the deposit account as was done upto 1974..

10.6.3. A rationalization of the major heads in this sector had also been ordered. There will be two sub-sectors viz., 'Deposits bearing interest' and 'Deposits not bearing interest' with the following major heads:

- Civil Deposits,
- Deposits of Local Funds.
- Other Deposits.

10.6.4. Some of the important changes proposed in the scheme of minor heads under the above major heads of accounts are:-

- i) Provision of a minor head for 'Security deposits' which will include earnest money deposits of intending tenders etc. This is at present merged with "Revenue Deposits"; and
- ii) Combining individual minor heads for the deposits of each department under 'Departmental Deposits' into a single minor head "Other departmental deposits" with distinct sub-heads there under for deposits of each department, except in a few cases like Forest Deposits, Public Works Deposits, etc.,

10.6.5. To regulate the expenditure under various deposit accounts, orders were issued in G.O.Ms.No.43, Finance (W&M) Department, dated 22.4.2000, classifying all the deposit accounts into three categories and indicating the procedure for withdrawal of funds from deposit accounts.

**“(A) Non-Lapsable Deposit Accounts:**

These Deposit Accounts under which the Local bodies, Institutions, Corporations, State Undertakings and other Deposit Account Holders deposit the amounts which are collected as their own collections like Taxes collected by the Local bodies, Special Fees collected by the Educational Institutions, Other Fees and User Charges collected directly from the public under the provisions of their statutes and by-laws which authorize to collect these amounts directly from the public in the shape of Fees or Service Charges. Apart from their own collections, if the amounts are deposited in these accounts on account of statutory devolution like Property Tax, Professional Tax, Entertainment Tax etc., and the statutory grants received from the Government, such deposits will also be categorized as non-lapsable.

**(B) Lapsable Deposits as per the Codal Provisions:**

Amount deposited under these funds will get lapsed as per the Codal Provisions. In other words, in case of Revenue Deposits, Civil and Criminal Court Deposits, Official Receiver Deposits, Caution Money Deposits, the amount deposited will get lapsed to the Government under Article 271 of AP Financial Code Volume-I.

**(C) Lapsable Deposits as per Government Orders given herein:**

These deposits generally will consist of the funds deposited on account of execution of various Schemes and Works sanctioned by the Government from time to time. These PD Accounts are for Engineering Funds of the Local bodies, RWS, Public Health Department and funds released to various Institutions/ Corporations/ Local bodies, State Undertakings to execute specific Schemes sanctioned by the Government. Under these deposits all funds released during the particular financial year shall lapse by the 31<sup>st</sup> March of the next financial



year. Accordingly all funds released on or before 31.3.1999, under the Schemes sanctioned before 31.3.1999 and which remained unspent as on 31.3.2000 shall lapse on 31.3.2000. Hence, all the Public Accounts are now classified into above three Categories and are enclosed herewith the Annexure-I. **(See Appendix-V)**.

### 3. **PROCEDURE FOR WITHDRAWAL OF FUNDS:**

At present, there is no uniform procedure adopted throughout the State for withdrawal of funds from Deposit Accounts. Generally, in case of Local Bodies, all the deposit account cheques are being routed through the Treasury Officers. In case of Agriculture Market Committees, Educational Institutions and other Personal Deposit Accounts, Deposit Account holders are directly sending the cheques to the Banks for withdrawing the funds. After making payments, Banks are sending paid cheques to the Treasury Officers for record. To simplify the procedures as a part of wide Administrative Reforms, Government hereby orders the following procedure for withdrawal of funds from the Deposit Accounts:

- i) In case of Non-lapsable Deposit Accounts (Category-A) the treasury officers shall issue LOCs to the banks in favour of the Deposit Administrator on the basis of distribution proceedings of the concerned Head of Department. Such LOCs would be non-lapsable at the end of the financial year. It is also decided to permit the Deposit Account holders, to withdraw funds directly from the Banks without routing through the Treasury Officers based on the LOCs issued by the treasury officer to the extent of Receipts available in the Deposit Account. The Deposit Administrator shall present cheques along with the formats and certificate prescribed in Annexure-II. The Bank shall not honour the cheques over & above the balances available at the credit of the Deposit Administrator. Treasury Officer shall have the right to issue instructions to the concerned Banks to stop further payments on that particular Deposit Account under which any deficiency or any procedural irregularity is noticed till the correction is made by the Deposit Administrator.

In the case of Panchayat Fund, there is only one PD Account for statutory grants as well as specific purpose grants. All Deposit Administrators of Panchayat Funds shall continue to route their cheques along with information of as per formats and certificates under Annexure-II, through the treasury officer concerned as per present practice. The treasury officers shall scrutinize and authorize payments for those deposits which fall under category 'A' & 'B' subject to balances available. For lapsable grants as per category 'c' above, the treasury officers shall scrutinize the lapsability of funds released to Panchayats and credit back to the treasury, the unspent balances as on 31-3-2000. For the balance amounts, they shall authorize as per procedure prescribed for Category 'c' deposits.

- ii) All the treasuries are instructed that the Deposits under category 'B' are withdrawn as per the codal provisions under which bills/cheques shall be presented to the treasuries by the Deposit Administrators along with the format and certificate under Annexure-II to this order. On receipts of

bills/cheques, treasury officer shall verify the correctness of the claim and un-lapsed balance available under the Deposit before authorization for payment is accorded. **(See Appendix-V).**

- iii) All Deposit Administrators shall ensure that the cheques drawn under "Lapsable Deposits" as per Government orders under category 'C' above along with the format and certificate prescribed under Annexure-II shall be routed through the concerned treasury officers. Treasury officers, before countersigning the cheques, shall scrutinize the information in the format on the Deposit Account and the certificate given in the Annexure-II. After being satisfied with the information and the eligibility of the claim, the treasury officer concerned shall countersign the cheques for payment.
- iv) As already stated under category 'c' "Lapsable Deposits", all the funds released on or before 31.3.99 under the Schemes sanctioned before 31.3.99 and which remained unspent as on 31.3.2000, shall lapse on 31.3.2000. Hence, for all these Accounts, treasury officers must obtain the entire information Scheme-wise as per the format and certificate prescribed in Annexure- II and scrutinize the Accounts. They shall only make payments under those, Schemes for which the funds were released during 1999-2000 but remained unspent on 31.3.2000. All PAOs/DTOs/STOs are therefore instructed to credit back the unspent balances under S.H.79 (Remittance to consolidated fund from Deposit Account) to be opened under Minor Head 800 (Other Receipts) under Departmental Receipt Major Head for all the unspent balances as on 31-3-2000 pertaining to the schemes sanctioned before 31-3-1999.

4. If the Deposit Account holders wish to get any lapsed unspent balances revalidated, they shall have to submit fresh proposals to their respective Departments and obtain priority for allocation within their budgetary provision for the years 2000-2001 with the concurrence of the Finance Department.

5. As per article 3 of AP Financial Code, unless the amount is immediately required to be paid for the goods & services received/works done, no amount shall be withdrawn. In pursuance of this, it is hereby stipulated that no self cheque from Deposit Account shall be permitted except for the salaries and petty office expenses. No cheque in the name of Manager of any bank shall also be allowed, so as to cut down the bad practice of depositing the amounts in the banks to avoid lapse of funds. Any deviation to these stipulations, the Deposit Administrator and the treasury officers shall be held personally responsible.

6. All the PD Account Administrator are required to reconcile their balance with those of treasury and Bank issue a certificate of acceptance of balances to the treasuries within a fortnight ending each quarter failing which treasury officer may direct the Bank to stop further payments till the reconciliation is done and certificate of acceptance of balances is furnished.

## Advances

10.7.1. The following changes have taken place in this sector:-

- i) The major head "Permanent Advances" included upto 1974 in this section represents the cash imprest with departmental officers. This was transferred to the sector "Suspense and Miscellaneous" wherein other departmental cash balances are exhibited.
- ii) The major head 'Account with the Reserve Bank' under which the receipts and payments on account of the Reserve Bank are classified in Government accounts was taken to the suspense sector.
- iii) Advances of Pay and Travelling Allowance on transfer and festival advance to government servants were accounted for under the minor head "Civil Advances" in the section "Advances not bearing interest". Advance of Travelling Allowance on transfer is only an advance payment to cover travelling expenses of the government servant and his family and is adjusted from the travelling allowance claim of the government servant. Advance of pay on transfer is also payment in advance of one month's pay but adjustable from his pay drawn in the subsequent 3 months, unlike leave salary advance which is adjustable from his leave salary. It is felt that it will be more appropriate to account for advance of pay and travelling allowance on transfer under the same head to which the government servants pay and allowance on transfer under the same head to which the government servants pay and allowances are debited as is done in the case of advance of travelling allowance on tour and leave salary advance. It was also considered whether the advance should be debited to the department from which he is transferred or to the department to which he is transferred and it is felt that though strictly speaking it should be debited to the department to which he is transferred, it will make for simplification, if the advance is debited to the department which makes the advance. This may not distort the budget estimates or accounts very much. Adjustment of such advances from pay will be treated as minus expenditure under pay or travelling allowance of the department to which the government servants are transferred irrespective of whether the transfers are made in the same year or in the subsequent year. However in the case of transfer of government servants from one government to another, the debit for the advance payment shall be passed on to the borrowing government, like the flood advance, advance for warm clothing etc.

10.7.2. It is felt that the account of festival advances in the public account is inappropriate and that festival advances to government servants being in the nature of short-term loan not bearing interest should also be accounted for under "Loans to Government Servants" in the same manner as flood advance, warm clothing advance etc. Festival Advances are more in the nature of loans to government servant.

10.7.3. The minor head 'Civil Advances' which presently records departmental advances, objection book advances, service fund advances, etc., will be split into two minor heads viz., (i) Other departmental advances (as distinct from forest advances and revenue advances for which specific minor heads have been provided, in view of either the special accounting procedure or the magnitude of the transactions); and (ii) 'Other Advances'. The minor head 'Other Advances' will also include advances of a special nature to the departments.

### **Suspense and Miscellaneous**

10.8.1. This sector will have broadly the following sub-sectors with a number of major heads under each:

- (i) Suspense, which will include temporary adjusting heads.
- (ii) Other Accounts, which will include Cheques and bills, Departmental balances Permanent Cash Imprest, Cash Balance Investment Account, Deposits with the Reserve Bank and Security deposits made by Government (for example security deposits made by government to the Electricity Board).
- (iii) Accounts with Governments of foreign countries.
- (iv) "Miscellaneous" for miscellaneous Government account.

10.8.2. The section "Reserve Bank Deposits" has been abolished and the major head 'Reserve Bank Deposits' was brought under the sub-sector "Other Accounts" in the sector "Suspense and Miscellaneous", since this head is merely an adjusting head pending transfer of the amount to the head "Cash balance Deposits with the Reserve Bank".

10.8.3. The major head 'Miscellaneous Government Account' will have two minor heads of nomenclature "Ledger Balance Adjustment Account" and writes-off from heads of account closing to balance.

### **Remittances.**

10.9. The sector will have the following sub-sectors with major heads in each sub-sector:

- (i) Inter-governmental Adjustment Accounts.
- (ii) Exchange Accounts.

10.10. A number of minor heads which have been found to be obsolete or which are not considered necessary in view of the absence of current transactions under these heads or the smallness of the amounts have not been shown in the revised classification structure effective from 1-4-1974.

10.11. As a result of these proposals, the number of major heads in the Public Account have been reduced considerably without in any way affecting the meaningful reflection of transactions.

10.12. No major changes have made in classification adopted from 1-4-1987 except change of code numbers from 3 digits to 4 digits in case of major heads and introduction of 2-digit code number for sub-major heads and 3-digit code number of Minor Heads.

## CHAPTER - 11

### INTER-DEPARTMENTAL/GOVERNMENTAL ADJUSTMENTS

11.1. Chapter 4 of Account Code, Volume I regulates the conditions under which a department of Government may make charges for services rendered or articles supplied by it and the procedure for recording such charges in the accounts of the Government concerned. Under these regulations, for the purposes of inter-departmental adjustments, the departments of Government are divided into service departments and commercial departments. When a commercial department or undertaking ordinarily charges and is charged for any supply made or service rendered to or by other departments of Government, a service department does not make charges against another department for services or supplies which fall within the class of duties for which the former department is constituted, except when expressly ordered. Exceptions to the latter rule are stated in Article 60 of Account Code, Volume-I. Besides, a branch of a service department performing duties supplementary to the particular service on payment, viz., Jail manufacture, Printing is authorized to levy charges for the supplies made or services rendered by it to other departments. Similarly, a branch of a department constituted for the subsidiary service of that department is authorized to charge another department if it renders similar service to that other department. A regularly organized stores branch of a department is also authorized to charge another department for supplies made. In all these cases, payments of amounts due are required to be made by book transfers except when such transfers do not suit the methods of accounts or business adopted by the receiving department.

11.2. In the case of transactions between two Governments, on account of either services or supplies, adjustments are made in such a manner and to such extent as may be mutually agreed upon by the Governments concerned.

11.3. Where a department of Government renders service or makes supply to a non-Government body or an institution, recoveries are always made.

#### **11.4.1. The procedure prescribed for inter-departmental adjustments by book transfer is as under:-**

11.4.2. The department supplying articles or rendering services prepares invoice for the amount due and the bill is sent to the department which receives the services or supplies, for counter-signature and recording the head of classification under which the expenditure is to be classified. The bill, thus duly countersigned by the supplied department is returned to the supplying department. The latter department then sends the countersigned bill to the Accountant General who, after audit of the invoice, makes the necessary adjustments crediting the receipt head of the supplying department and debiting the expenditure head of the supplied department. The above process thus involves three agencies in the matter of final accounting of the

transactions in respect of the supplies made or services rendered by one department to another department of the same Government.

11.4.3. Slackness or delay in any one agency inevitably leads to belated incorporation of transactions in the accounts of Government. Such delays are responsible for rush of adjustments during the closing month of a year including March (Supplementary) accounts. It also happens that adjustments for supplies received or services rendered in a year are not carried out in the accounts of that year. These result in vitiation of actual expenditure booked in accounts and render control over expenditure against the provision of funds rather ineffective. Very often, failure to adjust in the accounts of the same year results in lapsing of the provision of funds and the need for a provision being made in the next or subsequent year for carrying out the adjustments. The above principle in regard to the inter-departmental adjustments and the procedure for book transfers was laid down in 1935 and has not been changed even though there has been considerable increase in the number of such transactions requiring inter-departmental adjustments.

11.5.1. Government have revised the existing procedure and have decided as follows:-

The principle of commercial department or commercial undertaking which works to a financial result charging or being charged for supplies made or services rendered, should continue. Most of the commercial departments or undertakings are vested with cheque drawing powers. Such of the commercial departments or undertakings as are authorized to draw on cheques should settle the bills in respect of the services rendered or supplies made to it through cheques. The amounts due to such commercial departments or undertakings from other departments should also be settled through bank drafts. Even in other cases, where the commercial departments or undertakings may not be vested with cheque drawing powers and thus may not render complied accounts to the Accountant-General, the system of settlement through bank drafts should be adopted invariably.

11.5.2. In cases of transactions between two service departments of the same Government where manufacturing or production or supply of articles or repair operations are involved and the existing principles require settlement, the adjustments might be done away with altogether, if the cost of the services or supplies was for Rs.1.00 lakh or less in each case. In respect of transactions above the said limit, the present rule will continue to be followed subject to the modification that the third agency viz., the Accountant-General should be eliminated and a system of cash settlement should be introduced. Elimination of the third agency viz., the Accountant General by abolishing the system of book adjustments and introduction of the system of cash settlement would go along way to minimise the delay considerably in the process of such adjustments.

11.5.3. As for the procedure to be adopted, the supplied department will present a bill at the Treasury for the cost of supplies or services along with the accepted invoice and challan in quadruplicate indicating the designation of the supplying

officer, invoice number and the heads of account to which the amount claimed is to be paid by transfer credit. The Treasury Officer will check the head of classification noted in the challan with that noted by the supplying officer in the invoice and pass the bill for payment by transfer credit to the above head of account, debiting the amount to the head indicated in the bill by the supplied officer. After the adjustment, the Treasury Officer will retain the original copy of the challan and sent the duplicate and the triplicate to the supplied officer who will keep one for his office record and send the other to the supplying officer. The fourth copy will be sent to the Accountant-General along with the bill. The public Works, the Forest and other departments, if any, vested with the cheque drawing powers will settle the claims through cheques.

11.5.4. In other cases, where inter-departmental adjustments between two service departments are in respect of services rendered and do not involve manufacturing or production or supply of articles, there should be no monetary or accounting settlement except where some fees are levied under a particular enactment. In the latter case also, settlement should be made either in cash or through bank draft.

11.6. In respect of transaction on account of supplies or services rendered between two State Governments or between a State Government and the Government of India, the settlement depends upon the terms of reciprocal arrangement between Governments.

11.7. There are cases where a department of a Government makes supplies to a number of institutions, for example, the Medical Stores Depot of the Government of India supplies medicines to various hospitals and dispensaries of the State Government. In such cases the Medical Stores Depot should send invoices in triplicate, one to the Director of medical & Health Services and two to the heads of institutions to whom the supplies have been made in convenient batches. The heads of institutions after accepting the invoices should arrange to make payment to the Medical Store Depot through Bank Draft under intimation to the Director of Medical & Health Services. For purposes of audit the bills drawn for the purpose should be supported by one copy of the accepted invoices for amounts exceeding certain limits for which the sub-vouchers have to be rendered to the Accountant General.



## CHAPTER – 12

### EXHIBITION OF RECOVERIES OF EXPENDITURE IN ACCOUNTS

12.1. Articles 73 to 76 of Account Code, Vol. I, enunciate the principles regarding the exhibition of recoveries of expenditure in government accounts. According to these principles recoveries of expenditure are taken as reduction of expenditure in the following cases.

- i) Recoveries of the cost of service undertaken by Government merely as an agent of a private body so that entire cost of the services is recovered from that body and the net cost to the Government is nil.
- ii) Recoveries of expenditure on works in progress and transactions of stock and other suspense accounts.
- iii) Recoveries representing debits to another Government, of expenditure, which was so debatable, from the moment it was sanctioned.
- iv) Recoveries from other Governments of their shares of expenditure on joint establishment, which is initially incurred by one of the Governments.
- v) Recoveries on account of adjustments between departments of the same Government for services rendered and supplies made, except in the case of recoveries made by a commercial department for services rendered or supplies made in discharge of the functions for which the department is constituted.

12.2. In the case of receipts and recoveries on capital account, they are always taken as reduction in expenditure under the capital major head concerned.

12.3. The principles would seem to be based on the theory that the accounts of a department of Government should reflect only the expenditure of that department for its functions and activities and the expenditure incurred by that department for private party, another department of Government or another Government should be set off by recoveries. While from the point of view of orthodox accounting, the existing principles are sound, it would not be inappropriate to treat the recoveries made from outside bodies or persons or other Governments as revenue receipts. In support of this view, it can be stated that when a service is rendered by a service department of a Government to a private party or other Government, the service has to be in some way or other connected with the functions of that department and it may not be inappropriate to treat the cost of that service as part of the expenditure on the functioning of that department and to treat the recovery of the cost of that service as receipts of that department. We, therefore, recommend that recoveries of expenditure for service or supplies made to outside parties or other Governments should in all cases be treated as revenue receipts of the Government rendering such services or supplies.

12.4. In case of projects jointly executed by several Governments where the expenditure is to be shared by the participating Governments in agreed proportions, but the expenditure is abinitio incurred by one Government and shares of other participating Governments recovered subsequently such recoveries from other Governments if made while the accounts of the year are still open should be exhibited as abatement of charges under the relevant expenditure head of account in the accounts of the Government incurring the expenditure. The same principles may be followed in cases where any participating Government is succeeded by an autonomous body like the Electricity Board.

12.5. For services rendered by a commercial department of Government the existing principles as laid down in Note 1 below Article 75 of Accountant Code, Vol. 1 should hold good. However, in the case of service by a departmental commercial undertaking recovery of the cost of services or supplies not germane to the essential purpose of the undertaking, may also be taken as receipts of the undertakings. Such cases will be few and far between and the proforma accounts also will show the recoveries as receipts, and the working expenses will not be affected.

12.6. Recoveries on account of adjustments between two service departments of the same Government wherever such adjustments are to be made, would continue to be treated as reduction of expenditure in the accounts of the supplying department.

12.7. Receipts and recoveries relating to expenditure met out of capital account may continue to be taken as reduction of expenditure, since adjusting them as receipts on the receipt side of account instead of in reduction of the capital expenditure would distort the presentation in accounts of the net worth of capital outlay.

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**PART - II**

INSTRUCTIONS FOR THE GUIDANCE OF ESTIMATING  
OFFICERS IN THE PREPARATION AND EXAMINATION  
OF BUDGET ESTIMATES

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## CHAPTER – 13

### INSTRUCTIONS FOR THE PREPARATION OF DEPARTMENTAL ESTIMATES RECEIPTS & EXPENDITURE

#### PART – I

##### Responsibility of Estimating Officer

13.1.1. The budget of the state is based on the departmental estimates submitted by the heads of the departments and certain other estimating officers, and these departmental estimates are themselves based on the estimates submitted by the district officers of the departments. Both the departmental estimates and the district estimates should always receive the careful personal attention of the officers who submit them, so that they may be neither inflated nor under pitched but as accurate as possible.

13.1.2. One of the most important duties of every head of a department and controlling officer, as an estimating officer, is to keep himself thoroughly acquainted with the progress of the revenue and expenditure under his control. He is charged with the administration of those numerous matters in respect of which the Government is debtor or creditor, so far as his department is concerned, and it is his duty to see that estimates are made of all these transactions.

13.1.3. As the Government accounts are maintained in general on a cash basis, the estimates should take into account only such receipts and payment (including those in respect of the arrears of past years) as the estimating officer expects to be actually realized or made during the budget year.

##### Number statements

13.2.1. In advance of the departmental estimates, estimating officers should forward to the Finance Department on 1<sup>st</sup> August of each year the following statement of members.

13.2.2. A statement in Form **(Appendix-XII)** giving particulars of posts in each permanent and temporary establishment (for both gazetted and non gazetted), the sanctioned monthly pay, the pay and fixed allowances attached to posts or individuals that will be drawn on the first of April following and the number of officers at each rate of pay for whom provision will be made in the departmental estimates.

13.2.3. The forms have been standardized and copies should be obtained by estimating officers from the Director of Stationery on annual indents.

**Note :** when submitting the budget estimates for village establishment the pay bills for which are audited by Treasury officers, the commissioner of Land Revenue should append to the estimates, a certificate that the sanctioned scale has been verified and found correct. This certificate should be based on similar certificates to be obtained by the Commissioner of Land Revenue from the Treasury Officers concerned.

13.2.4. Particulars of the scales of pay, number and designations, etc., of officers and establishments for whom provision is made in the budget estimates are not given in the main body of the budget, but are shown separately as Appendices to the detailed budget estimates of expenditure. To enable the Finance Department to keep those Appendices corrected year after year, the following details should be furnished by head of each department along with this departmental estimates.

13.2.5. Under "Salaries" full details of their number and the rates of pay and allowances should be explained separately for each service, class or category. The posts treated as permanent and the staff deployed should be distinguished from those of staff deployed on temporary posts. In the case of staff in temporary establishment for whom a full years provision is made should be specified. Officers whose pay is charged on the consolidated fund of the state should be shown separately from other officers. With regard to fixed allowances, the designation of the officers drawing them and their number and the rate of the allowances should be shown e.g., Conveyance allowance , Fixed Travel Allowance .

**Note :** The term "temporary" should be reckoned as officers serving in temporary establishments and do not mean that officer to be temporary or junior most. Normally senior officers would be deployed in executing schemes and would be drawing pay in that establishment. The question of continuance of a scheme beyond 28/29<sup>th</sup> February of each year should be examined very carefully by the Finance department in consultation with the administrative department of the secretariat on the need, extent of its continuing in the ensuing year. However for the purposes of estimation no difference should be made if scheme is continued, between permanent officers/quasi permanent officers and temporary officers.

## **Part - I – Estimates**

13.3.1. The ordinary annual estimates of the departments are based on "standing sanctions" and are called the part-I estimates. They are estimates of the revenue expected under the existing laws, rules and orders and the expenditure required for the normal working of the departments with reference to the existing sanctions. Proposals for the abandonment of existing revenue and for schemes of new expenditure should be submitted to the Government as they arise. Separates estimates should be prepared for submission to the Government with each such proposal. These estimates are called the part-II Estimates. This Chapter deals with the preparation of Part-I of the departmental estimates. Part-II is dealt with in chapter 14 where the distinction between part-I and part-II expenditure is more fully explained.

## Form of the Departmental Estimates

13.3.2. The Departmental estimates should be in the same form as the budget estimates and should give sufficient information to enable the Government to examine their accuracy. The finance Department prepares skeleton printed forms and supplies to each head of department, or other estimating officer who submits estimates direct to the Government, the sheets which he needs for his estimates. In course of time the supply of blank sheets are to be totally dispensed with and replaced by magnetic transfer of data.

**A typical skeleton form for a detailed estimates of expenditure for 2010-11 is given below :**

..... DEMAND  
 ..... DEPARTMENT

Major head, Sub-Major head Minor head Group Sub-head, Sub-head Detailed head and Sub-detailed head of Appropriation	Accounts 2009-10	Budget Estimates 2010-11	Revised Estimates 2010-11	Budget Estimates 2011-12
(1)	(2)	(3)	(4)	(5)

Details

S.H.(XX)

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(The Form for a Revenue head is the same as that used for expenditure head)

13.3.3. The figures printed in Column (3) of the forms are the same as those in the Budget Estimates of the current year. The estimating officer is not allowed to alter these figures already approved by the Legislature.

13.4. **Sub-heads Column (1):** These heads are fixed by Government and should not be altered. However during the course of the year when government have issued orders to open a new sub-head it should be entered in manuscript and the authority for it quoted in the 'Remarks' column.

**Detailed head of appropriation :** The detailed heads of account (Object heads) fixed by the government and shown in Appendix-III in Part-III shall be followed. The new detail heads, where necessary shall be fixed by government.

**Sub-detail heads:** Sub details heads under detail heads have been opened to specify the object of expenditure viz. "Pay", Allowances, Dearness Allowance etc. under the detail head salaries. These sub detail heads opened for convenience shall be adopted while furnishing the estimate to the government.

**Note :** Recoveries of expenditure initially borne by the government but subsequently recovered from other governments, departments etc either in whole or in part, should always be provided for under a separate detail head of appropriation "charges recoverable from Government departments etc., to be opened under the relevant minor head or sub head of account (see paragraph 12.3 to 12.6).

13.5. **Accounts Column (2) :** The figures should correspond with the figures recorded by the Accountant Generals final accounts and presently expressed to the nearest thousand. Every head of a department is bound to reconcile all differences between his figures and those of the Accountant General and a certificate stating that the reconciliation has been made and a copy invariably appended to each departmental estimate.

13.6.1. **Revised Estimates Column (4) :** The revised estimates of any year is an estimate of the probable Receipts or disbursements under each head for that year framed in the course of the year with reference to the actual transactions recorded for the months of that year for which complete accounts have become available. The revised estimates of the current year are prima-facie the best indication as to what the budget estimates for the coming year should be. These shall therefore be prepared with great care.

13.6.2. Assuming that, at the time of preparation of the estimates, the actuals of the first six months of the current year are available, then the Revised Estimates may be calculated as follows.

- i) By adding to the actuals of the first six months of the current year, those of the last six months of the previous year OR
- ii) By taking a proportionate figure so that the Revised Estimates will be 12/6 (i.e. twice) times of the actuals of the current year six months OR
- iii) By assuming that the revised estimates for the current year will bear the same proportion to the actuals of the previous year bear to those of the first six months of that year. The same ratio can be applied to the current year's actuals of six months to arrive at the probable final actuals.

13.6.3. The heads of departments and other estimating officers should use their discretion and adopt one of three methods which is continued to be most suitable for each particular case. If the amount under any head is fixed, there may be no use to use any of these methods. If it is not subject to any regular influence but fluctuates quite irregularly, method (iii) is not applicable. When methods (i) or (ii) is used for framing the estimates for the expenditure of the year, it is generally better to take average of the figures for the past three years instead of using the figures for a single year. Due allowance should be made for any exceptional phenomena which affected the results of the years from which actuals are taken and also for any special or unusual features of the year for which the Revised Estimates is framed. For an estimate of a head which there is always increase viz. loans from Government of India, Interest on Loans, Small Savings and deposits it may perhaps be better to use another method that is rate of change per year and apply average percentage to the final figure of the previous year. This may also be used to cross check the



correctness of estimate as trend of actuals may be treated as a good guide taking all factors into consideration.

13.6.4. Separate figures in respect of leave salaries or other details under the head salaries need not be given in the revised estimates. But separate estimates for charged items whether under salaries or other expenditure should be given. Each estimate is required to be rounded to the nearest thousand rupees. Due care should be taken for any additional appropriation that have been sanctioned after the budget was passed and remarks to the orders should be given in the Remarks column.

13.6.5. It may clearly be noted that the revised estimate do not authorize for additional expenditure in them. It is necessary to apply separately for the additional expenditure required and sanction of the legislature obtained through presentation of supplementary estimate. However a reduction in any provision of funds in the revised estimates does obviate the necessity for formal surrender of any amount provided in the Budget estimate which is not likely to be spent.

13.7.1. Budget Estimates [Column (5)] : The budget estimate of the coming year should generally follow the revised estimates of the current year after allowing for any abnormal circumstances that have existed in the current year or are expected in the budget year great care may be taken for providing increase over the revised expenditure and all reasons considered for the increases while due care is expected to be taken by the heads of department or other estimating officer they should invariably review the working of the department periodically to suggest economy where possible. An item of expenditure once provided and accepted by the government may become unnecessary or continued additional provision made over series of years for repairs to buildings to make up for short expenditure during a period of financial stress and such extra provision may no longer be necessary.

13.7.2. Provisions for losses should not ordinarily be made in the budget. If, however, the nature of the work of a department is such that some losses must be regarded as inevitable each year, provision may be made with the special sanction of the Finance Department in each case.

13.8. The Budget estimate for receipt should be based on the existing rates of taxes, duties, fees etc., and no increase or reduction in such rates, which has not been sanctioned by the Government, should be proposed in the budget estimates. If proposals of the kind have already been sent to government separately, the financial effect of such proposals should be indicated in the Remarks column. In the case of important heads of revenue, the actuals of the first six months should be compared with those of the corresponding period in each of the last three years. When several items of miscellaneous nature are to be aggregated against a single head of account details of major important items may be given in the regular column with probable estimation made against each item.

13.9. As regards disbursements provision should be made for all sanctioned schemes and not for schemes of new expenditure awaiting sanction of the

government. The estimates on all such items should be given in remarks column with suitable explanation.

13.10. Both in the case of Receipts and disbursements, estimating officer should strictly adhere to rules relating to classification in the accounts in exhibition of recoveries of expenditure as receipts or as deductions from expenditure. Similarly care may be taken to the allocation of leave salary and pension between central and state governments as well as of rules embodied in the Andhra Pradesh Financial and Accounting Rules. Provisions in Budget estimates should only be made for such receipts and changes as are definitely allocable to the state of Andhra Pradesh.

13.11. Pay and allowances of an officer for a month become due only at the end of the month. As such provision for the month of March of an year should be made in the budget estimates of the following year.

13.12. As far as possible lumpsum provision should not as a rule be made in the budget estimates. Where such is made provision should be entered against each separate entry in the column for details. In cases of grants to the local bodies or private managements for water supply and drainage schemes, roads and bridges, educational and medical institutions and the like the provisions made should be justified and a statement appended. (form given below)

### I. For Recurring Grants

Item No.	Description of scheme	Budget Grant For the Current year	Commitments in the current year due to sanction accorded in previous year	Commitments due to sanctions accorded in the current year		Remarks
				Commitments in current year	Commitments in coming and future year	
1	2	3	4	5	6	7
		Rs.	Rs.	Rs.	Rs.	

### II. For Non-Recurring Grants

Item No	Description of scheme	Total Estimated Cost	Total grant admissible	Grant already distributed	Grant provided in the budget estimates of current year	Balance to be provided in future years	Remarks
1	2	3	4	5	6	7	8
		Rs.	Rs.	Rs.	Rs.	Rs.	

### III. For schemes financed partly from grants and partly from loans

Serial number and Name of the Local Body	Name of the Scheme	Budget Estimates for Current year		
		Grant	Loan	Contributions by Local Body
1	2	3 Rs.	4 Rs.	5 Rs.

Revised Estimates for Current Year			Budget Estimates for Coming year			Remarks
Grant	Loan	Contributions by Local Body	Grant	Loan	Contributions by Local Body	
6 Rs.	7 Rs.	8 Rs.	9 Rs.	10 Rs.	11 Rs.	12

13.13. The estimate for each detailed account head and for each subsidiary entry for which separate figures are required should be rounded to the nearest thousand.

13.14.1. The provision towards encashment of earned leave of the officers and staff should be made in the budget estimates against the sub-detailed head "Encashment of Earned Leave under the detailed head "Salaries" 1/24 th of the pay and allowances (employees can encash 15 days earned leave in a year). In the case of employees belonging to vacation department, the provision for encashment of leave should be made proportionately with reference to the rate of eligibility for earning leave in a year.

13.4.2. It is probable that inspite of carefully prepared estimates according to aforesaid instructions may still look to be high. Therefore the estimates and actuals in past years may be examined and or differences noticed lump reduction should be made for probable savings.

#### Travel Expenses

13.15. Opposite every item of fluctuating change, such as Travel expenses other than fixed traveling allowances, a note should be made of the actual expenditure in each of the past three years together with a brief explanation of any abnormal variation. If the estimate for the coming year in any such case differs from that of the current year, a full explanation must be given.

#### Office Expenses and Other items of Expenditure

13.16. The estimate for this class of expenditure requires careful sanction by the controlling officer. The actuals for three years should be given in the "Remarks"

column for each detailed account head, abnormal changes if any, should be specified and excluded from the total in calculating the average of the three years preceding justification is needed in all cases in which it is proposed to exceed the normal average. Details should also be furnished for the items comprised in the detailed account head "Other charges".

## Works

13.17. For petty constructions and repairs, separate estimates should be given in the "Remarks" column for new works, works in progress and repairs, together with the actuals for the past three years for each class. Details of new works should be appended to the estimates in the following form.

Description of Work	Estimated cost	Budget Estimate 20 - 20	Remarks (whether sketch plans and approximate estimates have been prepared and approved by competent authority)
1	2	3	4
	Rs.	Rs.	

Details of all major works in progress should be given in the following form

Name of Work	Estimated cost	Expenditure to end of previous year	Budget Estimate of current year	Revised Estimate of Current year	Budget estimate of ensuring year
1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.

13.18. The requirements of individual departments for works debitable to the relevant programme minor head under the concerned functional major head will be ascertained by the Public Works Department at the time of preparation of the Budget for the following year under the following heads.

1. Works in progress
  - a) Plan
  - b) Non-Plan
2. New Works
  - a) Plan
  - b) Non-Plan

In so far as plan schemes are concerned priority will be given and necessary provision included in the light of ceilings prescribed in the Annual Plan. As regards non-plan schemes provision will be made as far as possible, for all sanctioned works

in progress. For new (non-plan) schemes, however, the magnitude of the provision will depend on the budget availability and ways and means position and for this purpose, depending on the availability of resources finance department will make provision.

### **Submission of departmental estimates to the Government**

13.19.1. Heads of Departments and other Estimating Officers should prepare their estimates in duplicate on the skeleton forms received from the Finance Department and send one copy direct to the Finance Department and the other to the Administrative Department of Secretariat. In the event of network availability in computers system the furnishings through magnetic media (in the form of soft copy) may be permissible which greatly relieve manual compilation and can save avoidable delay in duplications and finalization. Unless, otherwise specified by government in any financial year these estimates are required to be submitted to the Administrative Department concerned by 1<sup>st</sup> October. The administrative Department should send the estimates with their comments so as to reach the Finance Department by 15<sup>th</sup> October.

13.19.2. The Accountant General will forward actuals of previous year rounded in thousands and also for the six months of the current year between 15<sup>th</sup> October and 15<sup>th</sup> November. He shall also forward estimates in respect of certain heads of account like Interest 0049/2049, Public Debt 6003/6004, Loans and Advances and also Part-III Public Account in batches upto 15<sup>th</sup> November.

13.19.3. Punctuality in the submission of departmental estimates is essential. The time available for examination and consolidation of the estimates is limited and delay in single case would seriously dislocate working in the Finance Department.

13.19.4. It would be ideal if estimates are handed over in person and acknowledgement of Finance Department obtained. Covering letters in these cases may not be necessary. If the letter is considered indispensable they should be brief and clear, calling for attention on such special points as may require the orders of Government. Any separate explanatory memoranda and subsidiary statements, which may be necessary in order to elucidate the estimates, should be sent along with them.

13.19.5. In pursuance of the detailed exercise done by the Finance & Planning Departments under Zero Based Budgeting for 2000-01, it is considered desirable to spell out in detail the commitment of the Government to effect economy and efficiency in Government expenditures. Further it is considered desirable to streamline the procedures for issue of government sanctions for expenditure under Plan and Non Plan Schemes with a view to providing greater flexibility to the Secretaries and Heads of Departments. (G.O.Ms.No.135, Finance & Planning (FW: BG) Department, dated 20-9-2000 ***See Appendix-IX***).

## CHAPTER - 14

### PREPARATION AND SCRUTINY OF PART-II ESTIMATES

#### Definition of Part-II Schemes

14.1.1. It has already been mentioned in paragraph 13.3 that the Part-II estimates are the estimates of the cost of schemes involving new expenditure or abandonment of existing revenue. Although this is the general principle to be followed, yet certain exceptions are allowed and there are some such schemes which need not be treated as Part-II Schemes. Moreover a scheme involving new expenditure for which provision has been included in the budget estimates of the current year may, in certain circumstances, become a Part-II Scheme for the next year.

14.1.2. Part-II Schemes are therefore defined more clearly and fully in paragraphs 14.2 to 14.8 below.

14.2. Increase in cadres of services or posts - Proposals to increase the cadres of services or the number of posts of a particular kind either permanently or as a temporary measure should be treated as Part-II Schemes, except in the following cases:-

- a. Additions to cadres of subordinate services or additional non-gazetted posts which are required either as a temporary measure or permanently to deal with normal increases of work according to the existing standards of administration.
- b. Temporary additions to cadres purely for temporary work, e.g., revision of departmental manuals, which is expected to last only for a few months and to cost only a small amount.
- c. Temporary additions to cadres of services and temporary additional posts in the Public Works Department to supplement the quasi-permanent and permanent cadres for the execution of original major works in progress and minor works, for which special temporary establishments have not been employed.
- d. Additions to cadres of services or additional posts, the cost of which is recovered together with leave and pensionary contribution, or the cost of which is recovered in part so as to leave only a trivial amount to be debited to State Consolidated Fund which is recovered in part so as to leave only a trivial amount to be debited to State Consolidated Fund.
- e. Permanent retention of establishments which have been sanctioned on a temporary basis in the first instance.
- f. Extension within the budget year of temporary additions to cadres, when such extension is considered essential.

**Note:-** If work-charged establishment is replaced by temporary or permanent staff such proposals need not be treated as Part-II Schemes.

14.3. **Machinery and Equipment/Office Expenses/Tools and plant, etc.-** The purchase of new machinery, plant or other dead stock and the purchase of livestock or furniture on a large scale should be treated as Part-II Schemes while provision for renewals or replacements or worn out or otherwise unserviceable machinery, tools and plant and dead stock or of deceased livestock should be made in Part-I of the estimate.

14.4. **Grants-in-aid (Recurring).-** Proposals for increased provision for the expansion of existing services e.g., grants-in-aid to schools newly admitted to aid or increased grant-in-aid due to the opening of higher classes in existing schools, should be treated as Part-II Schemes.

14.5. **Grants-in-aid (Non-Recurring).-** The Part-II estimates include grants not only for new works but also for works in progress or completed works for which no part of the grants has actually been disbursed in a past year and no part is likely to be disbursed in current year.

14.6. **Loans.-** Proposals for loans to local bodies for new works or to any person or body for an entirely new object should be treated as Part-II Schemes.

14.7. **Works.-** The following should be treated as Part-II Schemes.

- a. Every new original work in any department, the cost of which is estimated at more than Rs.25,00,000/- and
- b. In the case of irrigation works, every new work in the category of "Extensions and improvements" the cost of which is estimated at more than Rs. 25,00,000/-

14.8. When a scheme involving abandonment of an existing item of revenue in whole or in part has been considered as a Part-II Scheme and provided for in the budget estimates of a year, or when provision has been included for a scheme of new expenditure either in the Appropriation Act for the year after consideration as a Part-II Scheme or in the Appropriation Act pertaining to the Supplementary Statement of expenditure, and the scheme is not likely to be introduced in that year, it should be brought forward as a Part-II Scheme in connection with the budget for a subsequent year. For this purpose a scheme will be regarded as having been introduced during a year if the Government are committed to the expenditure or some part of it during the year even though no expenditure is actually incurred or is likely to be incurred during that year. For instance, placing an order for plant or machinery or entering into a contract for the execution of certain work would commit the Government to expenditure.

14.9. Part-II Schemes relating to works:- Should be accompanied by sketch plans and approximate estimates. Detailed plans and approximate estimates should be

sent with Part-II Schemes relating to buildings estimated to cost Rs.10 lakh or more while detailed plans and estimates should accompany Part-II Schemes relating to irrigation works. Grants or Loans to local bodies for new works will not be considered unless detailed plans and estimates have been sanctioned by the competent authority and unless their necessity has been established. The Health, Housing, Municipal Administration and Panchyat Raj Department should compile annually a list of the new schemes in connection with which applications for loans have been received. It should be in two parts : one for schemes to be financed entirely from loans and the other for schemes to be financed partly from grants and partly from loans. No Scheme should be included in the list unless the local body's ability to repay the required loan has been established. The schemes will be arranged in order of priority in lists drawn up in the forms given below.

**Form I - Statement showing schemes to be financed entirely from loans.**

Sl. No. in order of priority	Local Body	Nature of the scheme	Total sanctioned cost	Amount of Loan required	Amount required in 20__-20__	Balance required to be met in future years
1	2	3	4	5	6	7
			Rs.	Rs.	Rs.	Rs.

**Form-II – Statement showing schemes to be financed partly from grants and partly from loans.**

Sl. No. in order of priority	Local Body	Nature of the scheme	Total estimated cost	Total amount to be met from State funds		Amount required in 20__-20__		Balance to be met in future years	
				Grant	Loan	Grant	Loan	Grant	Loan
1	2	3	4	5	6	7	8	9	10
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.

**Part-II. Schemes to be accompanied by estimates of loss of revenue or additional expenditure.**

14.10. Every Part II scheme should be accompanied by an estimate of the loss of revenue or additional expenditure involved, in the same detail as in part I estimates, i.e., the demand for grant (in the case of expenditure), the major, sub-major and minor heads, the sub-heads and detailed account heads under which provision is required should be entered, since, if the scheme is eventually accepted by the Government the amounts required under the several heads will be added to the part-I provision under those heads. Information should also be given as to the ultimate cost of each scheme as well as the cost in the budget year, both recurring and non-recurring.



14.11.1. In estimating the cost in the budget year, the head of the department should carefully consider when the scheme is likely to be introduced. A scheme of new expenditure cannot be introduced until provision for it has been included in the Appropriation Act, nor until the necessary sanction to the scheme has been accorded by the Government. No action which commits the Government to expenditure should be taken in anticipation of their sanction. The period which may be required for preliminaries after the receipt of the Appropriation Act and the orders until the personnel of the office is settled, a building rented and the necessary furniture and equipment provided, while the opening of new school must in any case, wait till the school year commences.

14.11.2. In the case of building schemes, provision is ordinarily included in the budget estimates and administrative approval accorded on the basis of sketch plans and approximate estimates. A sufficient interval should be allowed for the preparation of the detailed plans and estimates and their approval by the head of the department. For all new works, the according of technical sanction to the estimates, the drawing up of contract documents, the selection of a contractor after inviting tenders and the execution of an agreement with him are essential preliminaries and the time required for them should be allowed. The acquisition of land usually takes a considerable time; when land has to be acquired before a work can be started, the provision in the first year should be limited to the cost of land. Due allowances should also be made for conditions which affect the progress of works in particular localities, such as seasonal rains, agricultural operations resulting in scarcity of labour and the general difficulty in getting labour in the partially excluded areas.

### **Latest date for submission of Part-II Schemes**

14.12. Every Part II Scheme should be fully worked out by the head of the department when he finds it to be necessary and sent to the Government in the relevant administrative department of the Secretariat as soon as it is ready. No Part II Scheme will be considered in connection with the Budget for the next year unless it is received in the administrative department before the 1<sup>st</sup> October. The receipt of a large number of schemes just before the closing date causes much congestion and consequent delay in the Secretariat. Part II Scheme should ordinarily be submitted to Government long before the 1<sup>st</sup> October.

### **Scrutiny of Part II by the Government**

14.13. The head of each department should also submit to the Government in the administrative department concerned not later than the 1<sup>st</sup> October a consolidated list in order of urgency of all the Part II Schemes proposed by him with particulars under "non-recurring" and "recurring" of the ultimate cost and the cost in the budget year on account of each scheme.

14.14. Every Part II Scheme will, on receipt, be examined by the administrative department concerned. If the administrative department recommends the scheme, it

will be sent to the Finance Department which is empowered to examine and advice on all such schemes and to decline to provide in the estimates for any scheme which has not been so examined. No scheme will be considered in connection with the next year's budget, unless it is received by the Finance Department before the 1<sup>st</sup> November. The Finance Department may decline to consider a scheme received there in time, if on examination further information or details are found to be essential before the Finance Department can give its advice on the scheme.

14.15. When a scheme is sanctioned by the Government during the course of the year by providing funds either by reappropriation of savings available in the grant or by an advance from the Contingency Fund such a scheme need not be treated as a Part II Scheme for making provision in the next year's Budget.

## **CHAPTER – 15**

### **PREPARATION OF THE BUDGET ACTION IN THE LEGISLATURE - APPROPRIATION ACT**

#### **Scrutiny Departmental Estimates by the Administrative Department**

15.1. On receipt of Part-I of the departmental estimates for each head from the Head of the Department, the administrative department of the Secretariat will scrutinize the revised estimate for the current year and the budget estimate for the next year, and propose such alterations thereto as it may consider necessary in the light of any circumstances within its special knowledge and of any new sanctions which may have been accorded after the estimates were framed by estimating officers or which they may have omitted to take into account.

#### **Scrutiny of departmental estimates by the Finance Department:**

15.2. The Finance Department will get from the Accountant General the actuals by detailed account heads for the several heads of Revenue and Expenditure. These actuals are for the previous year, for the first 5/6 months of the current year (according to the number of months for which they are available at the time) and for the corresponding period of the previous year. On the basis of these figures, the remarks of the estimating officers and of the administrative department concerned, and other relevant factors, the Finance Department will examine the estimate and make such modifications in the figures as in their opinion are justified. Copies of the orders passed by the Finance Department on the estimates will be communicated to the administrative department, which may communicate them to the head of the department concerned.

#### **Subsequent modification in the estimates.**

15.3. After orders have been passed by the Finance Department on the Part I estimates, alterations may be proposed subsequently by heads of departments and by the administrative departments of the Secretariat with reference to any further information which becomes available or later sanctions accorded by the Government or supplementary statements of expenditure laid before the Legislature. No change in the estimates amounting to less than Rs.10,000 under any detailed head of appropriation proposed after a prescribed date in December and no modifications whatever will be accepted after a prescribed date in January. These dates will be prescribed by the Finance Department every year.

#### **Preparation of Annual Financial Statement and Budget Memorandum.**

15.4. The Finance Department will prepare the Annual Financial Statement or the Budget which Comprises:

- a. Summary statements of receipts and disbursement.

- b. Detailed estimates of revenue and
- c. Statement of demands for grants for gross expenditure followed by detailed estimates, supplemented by seventeen separate volumes containing the detailed Secretariat department wise and Head of department wise budget.

**Circulation in advance of Demands for Grants to Members of the Legislature.**

15.5. Copies of the following Budget publications will be sent to the Secretary to the State Legislature, for circulation to the members of the Legislature at the time of presentation of the Budget.

- (1) Budget Speech.
- (2) Volume-I/1 Annual Financial Statement and Explanatory Memorandum on Budget.
- (3) Volume I/2 Statement of Demands for grants.
- (4) Volume-II- Detailed Estimates of Revenue and Receipts.
- (5) Volume III - Details of Demands for Grants for Non-Plan and Plan. There are 17 parts in Volume-III, each part contains demands for grants or departments coming under each department of Secretariat.
- (6) Volume IV - Public Account
- (7) Volume V - Annexures to Budget.
- (8) Volume VI - Budget-in-brief.
- (9) Volume VII - Annual Plan
- (10) Volume VIII/1&2 - Appendices to the Budget Estimates.
- (11) Volume IX - Analysis of the Demands for Grants by Ministers.
- (12) Volume X - Government Commercial Undertakings Supplement to the Detailed Budget Estimates.
- (13) Notice of Demands for Grants

***Contents of Budget Document***

15.6. We may now consider the contents of the Budget Publications which are presented to the Legislature year after the year.

15.7. The Budget documents generally contain four sets of figures as indicated below:

- (i) The Accounts of the previous year.
- (ii) Budget Estimates of the current year as originally presented to the Legislature.
- (iii) Revised Estimate for the current year.
- (iv) Budget Estimate for the ensuing year

15.8. The Budget Publications for the year 2010-11 contain the actual expenditure figures for the year 2008-09, the Budget and Revised Estimate for the year 2009-10 and the Budget Estimate for the year 2010-11. The figures of the years previous to the Budget year are given only for comparison. No discussion or voting is called for on the figures of earlier years. The figures of Revised Estimates for year 2009-10 indicate how far the transactions of the year vary from the originally estimated Budget figures. The Revised Estimates take note of actual trend of receipts and payments during the year and are therefore, more realistic than the original Budget Estimate.

### ***Budget Speech***

15.9. The Budget Speech contains a review of the Financial Position of the State for the previous year, current year and the coming year. The main purpose of the Budget Speech is to explain the policies and programmes of the Government and how far they had been implemented during the previous year and how they are going to be introduced and implemented in future.

### ***Annual Financial Statement and Explanatory Memorandum on Budget Statement of Demands for grants (Volume - I) Details of Demands for Grants for Non-plan and Plan (Volume-III Parts 1 to 17)***

15.10. The estimates of expenditure from the Consolidated Fund included in the Budget Estimates and required to be voted by the Legislature are presented to the Legislative Assembly in the form of demands for grants- vide Article 203(2) of the Constitution of India. Generally, for each of the major services a demand is presented. Each demand normally includes the total provisions required for a service i.e. provision on account of the Revenue Expenditure, Capital Expenditure and Loans and Advances relating to the Service. Where, however, expenditure on a service includes both voted and charged items of expenditure, the charged items of expenditure also are included in the demand presented for that service but the voted and charged provisions are shown separately in that demand. In the present accounting and budgetary procedures certain classes of receipts and receipts of capital nature are taken in reduction of the expenditure of the receiving Department. The major head-wise estimates of expenditure included in the Annual Financial Statement are for the net expenditure i.e., after taking into account the recoveries. The estimates of expenditure included in the demands for grants however show the gross amounts, recoveries, and the net expenditure. The Statement of Demands for Grants included in Volume-I/2 of the Budget publications gives the demand-wise gross expenditure (both voted and charged separately) the recoveries and the net expenditure under Non-Plan and Plan separately. At present there are 40 demands for Grants in the State Budget. These demands for grants have been formulated Secretariat Department wise and HOD wise. In the present structure all the provisions relating to a HOD will be shown at one place in a particular Demand for grant. No HOD will cross more than one demand for grant. The statement of demands is followed by the details of demands for grants presented in Volume-III. (Books 1 to 17). These detailed demands for grants show Head of the Department wise details of the provisions included in the demands for grants for expenditure for

the previous year and the budget year and revised estimates of the current year. They also give a break-up of the estimates, i.e., details of the minor heads (Programmes) sub-heads (Organisation or Scheme), detailed heads (Object of expenditure) e.g. salaries, wages, travel expenses, machinery and equipment, grants-in-aid, etc., sub-details under detailed heads like Pay, Allowances, Dearness Allowance under detailed head "010 Salaries" etc. The gross demands for grants which are required to be actually voted by the Legislature are presented to the Legislative Assembly Demand-wise in the form of a Notice.

### ***Annexures to Budget Volume - V***

15.11. A number of appendices which give particulars of transactions relating to repayment of loans to Government against the loans obtained by the State Government, Statement showing the guarantees given by Government and still outstanding, Statement showing Debt position etc. are shown in this volume.

### ***Appendices to the Budget Estimates***

15.12. The Appendices (Volume VIII/1) and (Volume VIII/2) to the Budget Estimates contain (1) the particulars of the strength of Officers and Staff, the scale of pay attached to each post, and the provision made in the Budget Estimates towards Pay of Officers and Establishment; (2) the Major Head-wise particulars of actual expenditure for previous year, the provisions in the Budget and Revised Estimates of the current year and in the Budget Estimates of the next year under each object head such as Pay, Allowances, Dearness Allowance, Office Expenses, Grants-in-Aid, Other Charges etc., both under Plan and Non-Plan; (3) statement showing the amounts provided for assistance to Local Bodies including Zilla Parishads, Mandal Parishads, Panchayats etc.; (4) statement showing the provision made in the Budget for expenditure on Scheduled Tribes; and (5) statement showing the provision made in the Budget for expenditure on Scheduled Castes.

### ***Government Commercial Undertakings***

15.13. This is Supplement to the detailed Budget. It contains the manufacturing, trading and profit and loss accounts and the balance sheet of the Government Commercial Undertakings in this State. As the operations of these Undertakings are commercial in character, it is necessary that the financial results of the Undertakings should be expressed in the ordinary commercial form, so that the cost of Undertaking may be correctly known. The Government system of accounts being on a purely cash basis, liabilities will not find a place in these accounts but they should be included if the correct position regarding the working of a commercial undertaking is to be ascertained. It is not, therefore, sufficient to adopt the usual form of Budget and Accounts in the case of these Undertakings. Capital, Manufacturing, Trading and Profit and loss accounts are therefore kept for these Undertakings by the departmental authorities in addition to the usual Government accounts. The form of commercial accounts adopted for this purpose (called Proforma Accounts) is determined by the Government in consultation with the Comptroller and Auditor-General.

### ***Budget in Brief***

15.14. This publication contains in brief, the information available in other important Budget documents of the State and presents by means of statistical tables and charts, the comparative picture of Andhra Pradesh finances. The information regarding growth of expenditure in important development sectors such as Education, Medical, Public Health and Family Welfare, Water Supply and Sanitation, Irrigation, Power, Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes has also been shown in the form of charts. A comparative position of receipts and expenditure under various heads of account from the year 2001-02 is also given in this Volume.

### ***Statement of Revenue Receipts***

15.15. The estimates of Revenues are fixed based on the existing laws, rules and orders.

### ***Notice of Demands for Grants***

15.16. As already explained, every item of expenditure has to be specifically authorized by the legislature. According to Article 203 (2) of the Constitution of India, the estimates of expenditure which are not charged on the Consolidated Fund are submitted to the Legislature in the form of Demands. In pursuance of this provision, a notice of Demands for Grants to be moved by the Minister concerned is presented to the Legislature. In the case of Demand which concerns a single Minister the Demand is moved by that Minister. In the case of a composite Demand concerning more than one Minister, the Demand is moved generally by the Minister under whose portfolio the larger part of the Demand falls.

### ***Annual Plan***

15.17. This publication deals with the annual plan allocations comprising Sectoral, Head of Development and Scheme wise details for Budget and Revised Estimates of the current financial year and Budget Estimate of next financial year. This publication also give information regarding year wise Approved outlay, Budget provision, Revised Estimate and Expenditure from 1<sup>st</sup> Five year plan onwards.

### ***Action in the Legislative Assembly***

15.18. On such days as may be fixed by the Legislative Assembly, there will first be a general discussion in the Legislative Assembly on the Budget or any point of principle involved therein and the assembly will then vote on the Demands for Grants.

15.19. On a day fixed by the speaker before the lapse of the days allotted for the moving of Demands for Grants in the Legislative Assembly, the Government may

present to the Assembly a statement of further demands to be moved provided that –

1. they are required for the purpose which, in the opinion of the Governor, are of an urgent nature; and
2. they are for new matters which have not been included in the original estimates for the year.

15.20. Such demands will be classified according to the original Demands for Grants and the details will be shown by sub-heads and detailed account heads under each grant. It must be understood that all expenditure to be incurred in the coming year should be foreseen and provided for in the Demands for Grants presented to the Legislature and that further Demand for Grant will be accepted only in very exceptional circumstances.

15.21. The Assembly may assent or refuse to assent to any demand or assent to a demand subject to reduction of the amount specified therein.

### ***Approval of the Budget by the Legislature***

15.22. The Legislative Assembly have the power to assent or refuse to assent to any demand or to assent to any demand subject to a reduction of specified amount vide Article 203(2) of the Constitution of India. After the demands are voted by the Assembly a bill called 'the Appropriation Bill' providing for the appropriation out of the Consolidated Fund of the State i.e. , the moneys required to meet (a) the grants made by the Legislature and (b) the expenditure charged on the Consolidated Fund of the State, shall be introduced in the Legislative Assembly and it shall be considered and passed by the Legislature. The recommendation of the Governor is required for introduction and consideration of the Appropriation Bill by the Legislative Assembly. The Governor has to accord his assent to the Appropriation Bill after it is passed by the Legislature. Then it becomes the Appropriation Act which empowers the Government to draw moneys from the Consolidated Fund of the State and spend in accordance with the Vote of the Legislature.

### **Appropriation Act**

15.23. After the Demands for Grants have been voted by the Assembly, an Appropriation bill, with a schedule of the Grants made by the Assembly and appropriations required to meet to expenditure charged on the consolidated Fund will be published and then introduced in the Legislative Assembly, in pursuance of article 204 of the Constitution of India. After the bill is passed by the Assembly, the appropriation Act will be submitted to the governor for his/her assent.

### ***Supplementary Demand***

15.24. It often happens that in the course of a financial year, expenditure has to be incurred on items and schemes for which approval of the Legislature has not been



taken in the Annual Financial Statement (Budget) or expenditure has to be incurred on the items and services in excess of the amount voted by the Legislature in the Budget. It may not be practicable to obtain the approval of the Legislature as and when an expenditure has to be incurred urgently on new items or schemes during the course of the financial year. Hence, in such cases the expenditure is incurred by Government by sanctioning advances from the Contingency Fund pending approval of the Legislature. When the Legislature meets, a supplementary statement showing the estimated expenditure on all such items is laid before the Legislature and its approval taken in pursuance of article 205 of the Constitution of India. The advance sanctioned from the Contingency Fund is recouped to the Fund when the Legislature approves the expenditure on the scheme for which advance from the Contingency Fund has been sanctioned and when the expenditure is transferred to the regular head under Consolidated Fund.

### **Votes on Account.**

15.25. After the budget is presented to the Legislative Assembly towards the end of February, the general discussions thereon, voting of the Demands for Grants and the legislation of the Appropriation Act are normally expected to be completed by the end of March next, so as to make available the appropriation authorized for each service for the budget year right from the commencement of the year, viz., 1<sup>st</sup> of April. But in certain circumstances, a longer time may be allowed for general discussion, voting of demands and the passing of the Appropriation Bill, with the result that it may not be possible to complete the legislative work connected with the budget on or before the 31<sup>st</sup> March and it may be necessary to continue the work into a part of the budget year also. On such occasions, demands for advance grants in respect of the estimated expenditure for a part of the budget year may be presented to the Legislature in pursuance of article 206 of the Constitution of India. Thereafter, the demands will be discussed and voted on and passed as an Appropriation Act in the manner laid down in Articles 203 and 204 of the Constitution of India.

## CHAPTER – 16

### CONTROL OF EXPENDITURE

#### Definitions

16.1.1. In this Chapter, unless the context otherwise requires, the following terms have the meanings hereby assigned to them:-

**Chief Controlling Officer:-** A head of a department or other officer who submits estimates direct to the Government.

**Subordinate Controlling Officer:-** An intermediate controlling officer immediately subordinate to a Chief Controlling Officer.

**Disbursing Officer:-** A Government officer who draws money from the treasury on bills.

**Note:-** Chief Controlling Officers and Subordinate Controlling Officers are also Disbursing Officers in respect of disbursements in their own offices.

16.1.2. A list of Controlling and Disbursing Officers and the heads of account with which they are concerned is given in Appendix-VI.

#### Appropriations – Unit and Distribution

16.2. The Budget Publications of the detailed estimates relating to the demands for grants which are communicated to a chief controlling officer under paragraphs 15.7.2. and 15.12.2 show the budget estimates as finally fixed for the various heads of account with which he is concerned. Figures are entered not only against the various sub-heads but also against the detailed account heads (including sub-detailed heads) of which they are composed. Ordinarily, a detailed head of appropriation is the lowest unit for the purpose of appropriation, but in some cases the provision is made under a sub-head in the absence of detailed head. For instance, each major work under "Public Works-Original Works-Buildings" has a specific appropriation. In such cases the detailed account head is the unit of appropriation. Except in regard to the heads of account specified in Appendix-VII the amount provided in the budget estimates for each unit of appropriation should be regarded as an appropriation placed at the disposal of the chief controlling officer. In the excepted cases, the appropriation is retained in the hands of the Government in the administrative department of the Secretariat entered against each item.

#### Method of watching actuals

16.3.1. A chief controlling officer has to see that the expenditure under each unit of appropriation is kept within the appropriation and that, if expenditure beyond the

existing appropriation is essential, steps are taken in time that necessary appropriation is provided by the competent authority for the additional amount required. He must, therefore, keep a constant watch over the progress of expenditure and also know what liabilities have been incurred but not yet paid. It is possible to control the expenditure in either of the two following ways:-

- (1) By keeping the appropriation in his own hands and watching the actual expenditure against the appropriation for the State as a whole; or
- (2) By distributing the appropriation among his subordinate controlling officers, each of whom will in turn distribute the appropriation at his disposal among the disbursing officers subordinate to him and making each such authority responsible for watching expenditure against the appropriation allotted to him. In the former case the chief controlling officer is wholly responsible for watching the expenditure against the appropriation while in the latter case he shares this responsibility with his subordinate officers.

The Chief Controlling officers/ Controlling Officers are required to prepare the distribution statements of budget allotments in respect of the heads of accounts under their control excepting salaries including D.A., ex-gratia payments, Fixed Travelling Allowance, payments to Home guards and Anganwadi workers, even for the first quarter of the financial year and forward them to the Director of Treasuries and Accounts, for scrutiny, authorization and onward transmission to the treasury officers in the districts and Pay and Accounts Officer, in Hyderabad for Unit Officers to draw money for meeting Treasury Controlled Expenditure.

The Treasury Officers in the Districts and Pay and Accounts Officer in the Headquarters shall not admit any claim into audit without relevant authorization from the Director of Treasuries and Accounts.

***(as per G.O.Ms.No.68, Finance & Planning (FW:BG) Department, dated 27.3.1996)***

To obviate the above operational difficulty, the following revised instructions are issued:

In the beginning of the financial year, the HODs/ Chief Controlling Officers of the respective departments should prepare district as well as Headquarters Offices budget for all the sub-heads by distributing the appropriations for the full financial year, among the various subordinate officers.

Two sets of these distribution statements should be sent to the DTA for approval and authorization and for onward transmission to the concerned DTOs and PAO, Another set will be sent by the concerned HOD to their respective District/Subordinate Offices.

These authorization statements should be issued by the DTA only once in the year i.e. in the beginning of the year itself and will be valid for the full financial year.

The expenditure at any point of the financial year should, however, be regulated only on the basis of the authorized statements communicated by the DTA on quarterly cumulative basis.

Any additional funds over and above the budget provisions, sanctioned in relaxation of treasury control orders, shall henceforth require authorization from DTA for drawal of amount on the above manner also.

The same procedure of authorizing and approving of the distribution statements submitted by the District Heads of various Departments will be followed by the D.T.O, the District Heads are permitted to distribute the amount further between their subordinate offices for the whole year at one point of time and DTO has to issue authorization for the whole year at one time only. The regulation of drawal will lie on a quarterly cumulative basis.

***(as per G.O.Ms.No.207, Finance & Planning (FW:BG) Department, dated 17.12.1997)***

16.3.2. As a general rule, expenditure based on sanctioned scales, e.g., salaries of permanent establishments, should be watched for the State as a whole. Where, however, the amount actually spent depends largely on decisions to be made by the disbursing officers, e.g., Traveling Allowances (other than Fixed Traveling Allowance) and non-recurring contingent expenditure it is better to distribute the appropriation among the disbursing officers. The chief controlling officers should retain in their own hands the appropriations for the following heads of account:-

- (i) 2030. Stamps and Registration
  - (01) Stamps – Judicial and
  - (02) Stamps – Non-Judicial.
    - a. Non-judicial – Expenses on sale of stamps.
    - b. Judicial – Expenses on sale of stamps.
    - c. Judicial – Cost of stamps.
- i. Under all major heads of expenditure -
  - a. Salaries
  - b. Grants-in-aid
  - c. Charges payable to Governments, Departments and others.

16.3.3. Otherwise a chief controlling officer has full discretion to decide in each case whether he will retain the appropriation in his own hands or distribute it among his subordinates. When the appropriation is distributed, it is desirable for the chief controlling officer to retain in his own hands a small sum from which he can sanction additional amounts asked for by sub-ordinate controlling officers when necessary

and each subordinate controlling officer should similarly retain a small sum in his own hands, so that he may sanction, when necessary small additional amounts asked for by the disbursing officers subordinate to him.

### **Disbursing Officer's register of actuals**

16.4.1. Every chief controlling officer should watch the progress of expenditure continuously, and for this purpose he should require the disbursing officers to report every month the figures of actual expenditure during the previous month and the liabilities incurred but not yet paid. Each disbursing officer should therefore maintain a register in Form B of disbursements and liabilities. As soon as a bill is cashed at the treasury it should be posted in the appropriate columns of the register against the district treasury in which the payment is made. "As soon as any cash is remitted in the treasuries in the same year a minus entry shall be made under appropriate unit of appropriation to reduce the total of expenditure to the extent of amount remitted in the treasury." In the case of salaries of village establishments, cattle pound charges and loans disbursed under the Land Improvement Loans and Agriculturist's Loans Acts, it is sufficient to copy the monthly totals from the records maintained by the disbursing officers. The adjustments, if any, made by the Accountant General and intimated to the disbursing officer – see Paragraph 19.9 below – should be entered on receipt of the intimation.

16.4.2. After the close of each month, every disbursing officer should, after such reconciliation with the treasury figures as may be prescribed by the chief controlling officer in consultation with the district treasury officer, forward to the controlling officer immediately superior to him, an extract of his account in Form B, omitting the details leading upto the district total against serial number IV.

### **Subordinate Controlling Officer's Register**

16.5. The subordinate controlling officer should consolidate in Form C, the figures on his own register of disbursements Form B and the figures contained in the extracts of accounts received from the disbursing officer's subordinate to him. The disbursements pertaining to each unit of appropriation should be grouped by districts. The subordinate controlling officer should, after such reconciliation with the treasury figures as may be prescribed by the chief controlling officer, forward an extract of his register in Form C to the chief controlling officer showing only the totals against each serial number except serial numbers VI and IX, which should be omitted.

### **Reconciliation by disbursing officers, etc.**

16.6. A list of disbursing officers and subordinate controlling officers who are required to reconcile their figures with the treasury figures before they forward them to the immediately superior controlling officer is given in Appendix – VII. They should see that the reconciliation work is completed not later than the 4<sup>th</sup> of each month. Disbursing and subordinate controlling officers included in the list who are stationed in or near the district headquarters will send their clerks to the district

treasury for the purpose of reconciliation. Those who are stationed away from the district headquarters will also send their clerks to the district treasury for the purpose of reconciliation if they have been specially authorised by the chief controlling officer's concerned to do so; otherwise, they will transmit their accounts to their superior officers without reconciling them with the treasury figures. Disbursing and subordinate officers who are not mentioned in Appendix – VIII will transmit their accounts to their superior officers without reconciling them with the treasury figures.

### **Chief controlling officer's register and reconciliation of figures**

16.7.1. A chief controlling officer should consolidate in Form C the totals of his own expenditure Form B and that shown in the extracts from the registers of subordinate controlling officers in the manner prescribed for subordinate controlling officers. He should send a clerk of his office to the Accountant General's Office with the departmental registers quarterly on a date to be fixed to each department by the Accountant General. The clerk should, with the assistance of the Accountant General's staff, compare the departmental figures with those recorded in the Accountant General's books. A statement of discrepancies will be prepared in duplicate and analysed in two columns one showing the adjustments to be made in the Accountant General's books and the other showing the adjustments to be made by the chief controlling officer. The Accountant General's office will keep one copy, and the clerk will take the other back to the office, where the necessary adjustments should be effected in the department registers. The chief controlling officer should inform the Accountant General that this has been done. The Accountant General will likewise make the necessary adjustments in his books and inform the chief controlling officer that he has done so. The latter should then send a certificate to the Accountant General stating that the figures in his registers have been reconciled with those in the books of the Accountant General. This certificate of reconciliation should invariably be sent to the Accountant General as otherwise the out standings as per the latter's books will figure these transactions as unreconciled.

16.7.2. If the chief controlling officer's office is outside Hyderabad city, he should send to the Accountant General, on or before the 28<sup>th</sup> day of the month following that to which the accounts relate, an extract in Form C showing the figures under each minor head, sub-head of appropriation and detailed account head, except the adjustments communicated by the Accountant General and figures against serial numbers IX to XI. The Accountant General will check the figures with his own accounts and he and the chief controlling officer will be jointly responsible for the reconciliation of differences in the figures and the rectification of discrepancies in classification.

### **Accountant General's adjustments**

16.8. The Accountant General will inform a chief controlling officer of all expenditure for which the latter is responsible and which has been adjusted in the accounts either by the Accountant General himself as in the case of inter-departmental adjustments or through the Central Account Section of the Reserve

Bank of India, Nagpur e.g., inter-Governmental adjustments or expenditure in England. The chief controlling officer will enter the adjustments directly in his own account in Form B or will communicate them to his subordinate officers for entry in their accounts, according as the charge is one for which he has retained the appropriation or one for which he has distributed the appropriation to his subordinate officers. Care should be taken to avoid double entries in respect of adjustments.

### **Special Procedure for Public Works and Forest Departments.**

16.9.1. The procedure laid down above applies to expenditure in the Public Works and Forest Departments when the officers meet the charges by drawing bills on the pay and Accounts Office or on treasuries e.g., Salaries of officers and establishments and incidental charges in the Public Works Departments officers in the Hyderabad city under the control of the Chief Engineer and charges incurred by the Chief Conservator of Forests. As regards the mufisial officers of the Public Works Department, the reconciliation, should be effected by the Superintending Engineers concerned by means of monthly statements of accounts and discrepancies. In regard to the charges which these departments meet by drawing cheques on the treasury, the accounts compiled by the Accountant General are based on the initial accounts maintained by the departmental officers themselves and the procedure for the control of expenditure is therefore some what different as indicated below:-

16.9.2. **Public Works Department:-** The Divisional Officers furnish all the information necessary for the watching of expenditure. The Divisional Officer should prepare a monthly statement in Form F (Form X in the P.W.A code) for each major head of account. This statement should show the various sub-major , minor heads, sub-heads and units of appropriation or individual works for which specific appropriations have been sanctioned by a higher authority as well as the appropriation therefore as modified from time to time. If a lumpsum appropriation has been placed at the disposal of the divisional officer for more than one work, they may be grouped together and only the total shown. The expenditure incurred under each unit of appropriation should be posted in the relevant column from the register of works and the schedules of works expenditure. For suspense heads, the nets credits or debits alone need be posted. Un-discharged liabilities and anticipated credits should be separately recorded in the column provided for the purpose.

16.9.3. The statement should be completed within a week after the date fixed for closing of the divisional accounts and a copy forwarded to the Superintending Engineer. The latter will consolidate the statements received from the divisional officers into a circle report in Form G (Form Y in the P.W.A. Code) and send a copy to the Chief Engineer. The Chief Engineer will check the accounts with those in the Accountant General's office following the procedure prescribed in paragraph 19.7.1 and 19.7.2 and communicate any discrepancies noticed between the departmental and the Accountant General's accounts to the Superintending Engineers for reconciliation. Corrections, if any, intimated by the Chief Engineer should be incorporated by the Superintending Engineer in his accounts and communicated to the Executive Engineer.

16.9.4. The Chief Engineer will review the progress of expenditure for each circle with the help of the circle report and also consolidate the circle statements in Form G (Form y in the P.W.A. Code) for the purpose of reviewing the progress of expenditure for the whole State.

Note The Electrical Engineer and Civil Officers acting as Public work disbursers should forward a monthly statement in Form F (Form X in the P.W.A. Code ) in duplicate direct to the Chief Engineer.

16.9.5. **Forest Department:-** The disbursing officers should send to the Conservator of Forests in Form H a progressive statement of expenditure for each moth compared with appropriations, so as to reach him within 3 days after the date fixed for closing the divisional accounts. This statement should be completed from the monthly divisional accounts forwarded to the Accountant General. The District Forest Officer should also submit to the Conservator every month three days after the monthly accounts are sent to the Accountant General a statement in Form J of the progress of expenditure on individual works sanctioned by the higher authority. The details of expenditure under contingencies should be watched through the contingent register.

16.9.6.1. The Conservator should consolidate the summaries under the several heads of account obtained from the Divisional Forest Officers in Form H and J along with his own expenditure and that shown in the statements of District Forest Officer in a progressive statement for the whole circle in Form K.

16.9.6.2. The Conservator should also prepare a return in Form H for the circle as a whole, and send it to the Chief Conservator so as to reach him not later than 25<sup>th</sup> of the month. The Chief Conservator of Forests will also obtain similar statements for each month from such other officers not attached to any Conservator of Forests and then consolidate his own expenditure after reconciliation with those P.A.O., Hyderabad and that shown in the circle and other returns in a single statement in Form K so that he may watch the expenditure of the department as a whole against the appropriations. He should also reconcile the statement in Form K with audited figures which will be verified by him by deputing his staff to the office of the Accountant General and furnish a certificate of reconciliation to the Accountant General.

Broadly the accounts of the State are two types i.e. Civil accounts composing of establishment, Office expense and other incidental expenses not coming under the purview of Works Accounts. The Civil Accounts are operated, controlled and accounted for by the Treasuries and Accounts Department, while the Works Accounts are operated by the Divisions of respective Engineering Departments viz., Roads & Buildings, Panchayat Raj, Public Health and Forest and accounted for by them directly to Accountant General. Since, the Works Accounts of an engineering division are accounted for by the Executive Engineer to Accountant General, Govt. is not in a position to get the expenditure particulars in time and requiring it takes 3 to 4 months to get the consolidated expenditure figures from Accountant General. In respect of Irrigation Sector which is under the payment



control of Pay and Accounts Organization the expenditure figures are available on weekly basis. Under, the Pay and Accounts System both Civil & Works Accounts are combined and bills are paid after cent percent pre-check. The audit and accounting procedure was evolved in consultation with C & A.G., which has been updated and elucidated in the Pay and Accounts Officer (Works Accounts) Manual which is exhaustive and covers all the facets of Works Audit and Accounts.

The Organization of Pay and Accounts Office Works is also being computerized and likely to become operational from 1.4.2001. The package already developed and ready for use will help the Govt. to have day to day picture of the expenditure in relation to Budget and funds released.

In respect of other Departments dealing with Public Works there is no adequate system of pre-audit and timely information of expenditure in relation to Budget and Funds on the transactions made by them. In some Departments expenditure is being incurred much in excess over the budgetary provisions. The Government have also been experiencing difficulty in collecting the expenditure particulars from the other works executing Departments.

In case of Irrigation and R & B Departments, the utilization of Budget and Regulation of Expenditure on Works is regulated by way of authorization of LOC while in case of Panchayat Raj and Public Health Departments the grants released by a sanction are operated through P.D. accounts and Deposit account and Cheques drawn directly through Banks. In Forest Department neither the LOC is issued nor Payments are made through Treasury or Pay and Accounts Office Works. The Expenditure is incurred by drawal of Cheques directly on Banks against the budget provision.

In order to bring about uniformity in pre-audit and account keeping in all the Departments dealing with Public Works and to have effective computerized financial management in the areas of expenditure, Govt. after careful consideration of the matter introduce LOC system for release of funds & the payments in Roads & Buildings, Public Health, Engineering Wing of Panchayat Raj and Forest Department shall be made by Pay and Accounts Officers (Works) in Irrigation Department with effect from 1.4.2001. This order is applicable only for Works Expenditure. The Civil Accounts i.e. Establishment claims of the above Departments will however continue to be with the treasury.

Finance and Planning (Projects Wing) Department will issue separate working instructions about the jurisdiction of the Pay and Accounts Officer / Assistant Pay and Accounts Officers. All the Works Payments from 1.4.2001 shall be made only against the LOC authorized by the Govt. from time to time. The detailed guidelines for authorization LOC and payments by the Pay and Accounts Officer Works will also be issued separately.

**(G.O.Ms.No.60, Finance & Planning (FW:BG) Department dt. 30.3.2001).**

## CHAPTER –17

### **SAVINGS IN APPROPRIATION – EXPENDITURE NOT PROVIDED FOR IN THE BUDGET ESTIMATES – REAPPROPRIATIONS – SUPPLEMENTARY APPROPRIATIONS – SAVINGS IN OR EXCESSES OVER THE FINAL APPROPRIATIONS.**

17.1. The preceding chapter describes the procedure laid down for watching the progress of expenditure against the appropriations. The present chapter describes the action to be taken when necessary, as a result of this control of expenditure. It has to be remembered that an appropriation is operative only until the close of the financial year and that any unspent balance then lapses and is not available for utilisation in the following year.

#### **I. SAVINGS IN APPROPRIATIONS**

17.2.1. The progress of expenditure month by month may indicate savings in the appropriations shown against the several sub-heads in the detailed budget estimates of grants. There are several possible reasons for such savings, such as, over budgeting or postponement of or economy in expenditure.

17.2.2. In fact, since there are almost invariably such savings in the appropriations for several classes of grants-in-aid, irrigation, public and electricity works and loans and advances, lumpsum deductions from the appropriations under these heads are usually made on this ground in the budget estimates, subject to the condition that, if the net sum provided under the concerned heads is likely to be exceeded supplementary appropriations will be applied for and obtained in due course. Savings should not be kept in reserve by the disbursing or controlling officer to meet possible unforeseen excesses under other heads or to cover new expenditure which would normally be provided for in the next year's estimates. All savings should, when they come to notice, be immediately surrendered to the Finance Department through the Administrative Department concerned with full explanations as to how they came about. The Finance Department will issue orders resuming the savings and holding them under the grants concerned keeping the savings in respect of the voted appropriation and the charged appropriation separately in respect of each grant.

17.2.3 Savings reported under a grant in which a deduction has been made for probable savings will be immediately reappropriated by the Finance Department against that deduction until the whole of the deduction has been covered by such reappropriations.

#### **II. EXPENDITURE NOT PROVIDED FOR IN THE BUDGET ESTIMATES**

17.3.1. The appropriations against the several detailed heads as shown in the original budget estimates should not ordinarily be exceeded. The estimates provide for all items of expenditure for the financial year as far as they can be foreseen, and within the limit of available funds. Proposals for fresh expenditure not provided for in

the estimates in the course of the year are therefore not justified in ordinary circumstances and should not be made, unless there are very special reasons.

17.3.2. Unavoidable and unforeseen circumstances may, however, sometimes arise in the course of a financial year making it necessary to incur urgently fresh expenditure under one or more detailed heads or to incur expenditure on a new service not contemplated in the original budget estimates. In such cases, the procedure for providing the requisite funds is as follows.

- i. Savings in other appropriations by postponement or curtailment of less urgent expenditure included in the same grant (charged or voted portion as the case may be) may be reappropriated for the purpose, except when the additional expenditure is on account of a new service.
- ii. If the above mentioned course is not possible, a supplementary statement of expenditure should be presented to the Legislature, as laid down in Article 205 of the Constitution.

17.3.3. Savings within a grant should not be reappropriated to meet additional expenditure until the deductions made for probable savings, if any, in the grant (charged or voted) have been covered as described in the paragraph 20.2.3. But it is in all cases are duty of the controlling officer who for special reasons desires to incur in the course of a year fresh expenditure not provided in the budget estimates for the year to examine carefully whether fresh expenditure cannot be offset by the postponement or curtailment of less urgent expenditure for which provision has been made.

17.3.4. (I) The approval of the Legislative Assembly to any additional expenditure over the amount voted by it for the gross expenditure in a grant will be taken by means of a supplementary grant.

17.3.5. Expenditure on a 'New Service' not contemplated in the budget estimates for the year should not be incurred whether the expenditure in charged or voted and whether it can be met by reappropriation or not until is included in a supplementary statement of expenditure presented to the Legislature and eventually in an Appropriation Act. If the expenditure can be met from the saving within the grant, wholly or in part, it will be sufficient if a token sum of Rs.1,000/- or the balance actually required, as the case may be, is included in the supplementary statement of expenditure.

17.3.6. Pending the authorisation of funds by the Legislature in the manner indicated above, an advance may be sanctioned by the Governor from the Andhra Pradesh Contingency Fund to enable urgent expenditure being incurred on a "New Service" or on an "Existing Service". The accounting procedure to be followed for the initial debit of the advances to Andhra Pradesh Contingency Fund and the final transfer of the expenditure on each scheme to the appropriate heads of account in the Consolidated Fund will be found in Appendix V-B in Part-III. When a proposal involving new expenditure not contemplated in the budget estimates but not on a

new service is submitted to the Government and the expenditure can be met by reappropriation of funds, should not be provided by reappropriation in anticipation of the Government's sanction to the proposal, since if the sanction is not given or is delayed the funds so provided will lapse wholly or in part. In order to avoid such lapses, the applications for sanction to the expenditure and for reappropriation of funds should be submitted together.

17.3.7. When an additional appropriation is required urgently in a case not involving a new service and no savings are foreseen, the authority concerned should apply to the administrative department of the Government for permission to incur the expenditure. That department may, with the concurrence of the Finance Department sanction or authorise the incurring of the expenditure provided it can certify that the additional expenditure can be met from savings within the grant. In such cases necessary reappropriation of funds should be sanctioned as early as possible during the course of the year after the additional expenditure is sanctioned. If, however, the additional expenditure cannot be met from savings within the grant, and if it is considered urgent, the Administrative Department should approach the Finance Department for sanction of an advance from the Andhra Pradesh Contingency Fund before the expenditure is actually incurred, pending the authorisation of funds by the Legislature. In respect of cases where advances, have been sanctioned from the Andhra Pradesh Contingency Fund, the Administrative Department concerned will be responsible for sending to the Finance Department proposals for supplementary estimates for recoupment of advances sanctioned from the Contingency Fund. The controlling officer in respect of expenditure will be held responsible if a supplementary appropriation obtained on this recommendation is found to have been unnecessary.

NOTE The Government will decide whether additional expenditure proposed in the course of a year is expenditure on a new service or not with reference to the rulings of the Committee on Public Accounts on the subject incorporated in a pamphlet issued by the Finance Department.

### **CRITERIA FOR TREATING EXPENDITURE AS "NEW SERVICE/NEW INSTRUMENT OF SERVICE"**

**New Service:** The expression New Service occurs in Article 115(1)(a) and 205(1)(a) of the Constitution of India. According to the established practice, the expenditure arising out of a new policy decision (not brought to the Legislature's notice earlier) including a new activity or form of investment shall be regarded as an item of New Service.

Sl. No.	Item of Expenditure	Monetary Limits
1.	<b>Expansion of staff in existing Departments:</b>	
	i) Employment of additional staff when it arises out of the adoption	When the cost exceeds Rs.2 lakhs (recurring) and Rs.3 lakhs (Non-

of a new policy by the Government i.e. the sanction or increase of cadres of service or number of posts of a particular kind (either permanently or as a purely temporary measure) e.g. Sanction of an additional Mandal Revenue Officer in each of the Mandal consequent on the introduction of a new scheme of Governmental activity like Public Distribution System.

ii) Employment of additional staff for the expansion of an existing service i.e. expenditure on a New Instrument of a Service like the opening of a new school or starting of a new scheme in the Industries Department, Animal Husbandry Department etc., though similar schemes are already under operation.

iii) Employment of additional staff for re-organization of an existing administrative unit such as the bifurcation of Revenue or a Police district or the creation of new administrative unit. e.g. A new Public Works Circle, Establishment of Mandals in place of Taluks, etc.

recurring) the scheme as a whole, be treated as a scheme of 'New Service'. (The entire cost of establishment, building, equipment, other amenities etc., should be taken into account for the purpose of this limit).

When the cost exceeds Rs.2 lakhs (recurring) and Rs.3 lakhs (Non-recurring) the scheme as a whole, be treated as a scheme of 'New Service'. (The entire cost of establishment, building, equipment, other amenities etc., should be taken into account for the purpose of this limit).

When the cost exceeds Rs.2 lakhs per annum (recurring) or Rs.3 lakhs (non-recurring) taking the scheme as a whole, it will be treated as a scheme of 'New Service'. (The entire cost of establishment, building, equipment, other amenities etc., should be taken into account for the purpose of this limit).

Note:- The following classes of expenditure need not be treated as 'New Service'.

i) Employment of additional staff for a purely temporary need for a specific period not exceeding one year irrespective of the amount of expenditure involved. If the additional staff is likely to be Continued for more than one year though initial sanction is limited to one year the expenditure shall be treated as 'New Service' if the cost exceeds Rs.2 lakhs (recurring) or 3 lakhs (non-recurring).

ii) Employment of additional staff for normal increase of work involving no change in policy or the sanction of any new scheme.

iii) Employment of additional staff in pursuance of a policy of Government approved by the Legislature.

2. Works.

When the cost of a new work exceeds Rs.10 lakhs.

In regard to the expenditure on works relating to new schemes which involve expenditure on staff, equipment etc., the cost of the scheme as a whole should be taken into account for this monetary limit.

3. Expenditure to be met from lumpsum provision in the Budget.

When the cost exceeds Rs.25 lakhs.

*Note:-* Even when when a lumpsum provision is made in the Budget for works, the expenditure on the work will be treated as on 'New Service' if the cost exceeds Rs.25 lakhs.

4. Tools and Plant / Machinery and Equipment

When the cost exceeds Rs.10 lakhs for the purchase of additional machinery etc.

Individual purchases need not be treated as a 'New Service' irrespective of cost so long as there is specific provision in the budget for Tools and Plant. Where specific provision is not included in the budget and when the cost exceeds Rs.10 lakhs the purchase of Tools and Plant will constitute 'New Service'.

5. Expenditure on new objects and purposes.

When the expenditure is estimated to exceed Rs.1 lakh (recurring) or Rs.3 lakhs (non-recurring). (If a scheme of this kind has been discontinued for a period of over two years and is revived it shall be treated as a 'New Service').

6. Committees constituted by the Government from time to time. When the expenditure is estimated to exceed Rs.1 lakh per annum (recurring) or Rs.3 lakhs (non-recurring). (if a scheme of this kind has been discontinued for a period of over two years and is revived it shall be treated as 'New Service').

7. Grants and Contributions. When the amount involved exceeds Rs.1.25 lakhs (recurring) or Rs.5 lakhs (non-recurring). Grants-in-aid, Contributions, the like of which has not been voted in the past, if it exceeds Rs.50,000/- recurring or non-recurring.

Note:- If some provision is made in the year's budget or in supplementary statement of expenditure for a specific purpose and if additional grant or contribution is to be paid for that purpose over and above

the provision it constitutes 'New Service' if the additional amount to be paid exceeds Rs.2 lakhs. But in cases where grants-in-aid is paid to institutions like Municipalities, Panchayat Raj Institutions, Universities or Aided Institutions etc., towards the salaries of the Lecturers, Teachers etc., in respect of the Colleges, Schools admitted under Grants-in-aid, the additional grants irrespective of the amount will not constitute 'New Service' if the policy of the Government to pay the grant-in-aid to the extent of salaries etc., of such Institutions was brought to the notice of the Legislature previously.

8. Revision of scales of pay. When the revision of a scale or scales of pay or special pay involves an extra cost of over Rs.5 lakhs per annum.

**Note:-** The expenditure on sanction of increase in the rates of D.A., T.A. and other compensatory allowances, need not be treated as on 'New Service'.

9. Experiments, Investigations and demonstrations.

Need not be treated as a 'New Service'.

**Note:-** All expenditure of this character incurred each year without fruitful result should be reported to the Accountant-General for incorporation in the Appropriation Accounts with suitable explanation for report to the Public Accounts Committee in due course. For this purpose each department of the Secretariat should send a consolidated statement of such expenditure to the Fin. & Plg. (Fin.Wing) Department every year by the 31st May. 'NIL' return also should be sent to the Fin. & Plg. (Fin. Wing) Department.

10. Loans to Government Companies, Local Bodies, Private parties etc.

i) In the case of loans for which certain provision is made in the Budget, if the total amount of loan granted exceeds the original Budget provision by Rs.10 lakhs or 10 percent whichever is higher.

**Exception:-** In the case of loans where the policy of Government was to sanction loans for any purpose, the limit of Rs.10 lakhs need not be applied provided this policy like sanction of loans for Agriculture inputs, loans to Government Servants for House Building Advances etc.

ii) In the case of loans for new purposes for which no provision is made in the budget if the loan granted exceeds Rs.10 lakhs.



11. Investments in Government Companies and Departmental Undertakings.
- i) Setting up of a new Government Company or splitting of an existing Company or amalgamation of two or more Government Companies will constitute 'New Service'.
  - ii) Additional investment in an existing departmental undertaking of Rs.80 lakhs and above.
  - iii) Additional investments in an existing Government Company of Rs.20 lakhs and above in case of Companies with a paid up capital of rupees one crore and below and Rs.40 lakhs and above in case of Companies with a paid up capital of more than rupees one crore.
12. Investments in Private Sector Companies and Private Institutions by Government.
- i) Investments in share capital of Private Sector Companies /Private Institutions to be made for the first time whatever be the magnitude will constitute a 'New Service'.
  - ii) Additional investments in share capital to existing private sector Companies / Private Institutions of Rs.10 lakhs and above in case of Companies with a paid up capital of Rs. one crore and below, and Rs.20 lakhs and above in case of Companies with a paid up capital of more than Rs. one crore.
13. Ways and Means Advance
- Need not be treated as a 'New Service' nor covered by advances from the Contingency Fund; but they must be brought to the notice of the Legislature during the course of the Financial Year.
14. Subsidy involved in concessional sales such as sale of raw materials to Private Institutions at concessional rates, subsidized sale of pesticides, agricultural implements etc.
- i) A subsidy when introduced for the first time becomes a 'New Service' if it exceeds Rs.1.25 lakhs (recurring) or Rs.5 lakhs (non-recurring).

ii) Additional subsidy caused by increase in the rate of subsidy, extension of scheme to more areas etc., should be treated as 'New Service' requiring the approval of Legislature if it exceeds:-

a) Rs. 10 lakhs in the case of subsidies which are passed on to the Public.

b) Rs.4 lakhs in case where the beneficiaries are institutions.

15. Changes in classification of expenditure

Expenditure on existing service under one head but involving provision of funds under a different head within the same section due to change in classification of expenditure need not be considered as expenditure on 'New Service'.

**Explanation:-** Where provision for an existing service has been made either in the Revenue, Capital or Loan section and it is proposed to change the character of service by transferring it from the existing section to any other section it will constitute a 'New Service/New Instrument of Service' if the limits prescribed for such expenditure are exceeded.

16. Write off of Government loan.

Above Rs.50,000/- (individual cases).

**General:** Cases already approved by the Legislature, but where the expenditure is subsequently expected to exceed appreciably the amount originally intimated to the Legislature need not be treated as 'New Service'. But information regarding large variations should be given in the Budget Memorandum. Full information should be furnished to the Fin. & Plg. (Fin. Wing) Department by the Departments of the Secretariat in time for incorporation

**The following schemes need not be treated as on 'New Service' whatever be the cost involved:**

- i) Replacement or repairs to an asset of the State Government damaged or destroyed by floods, cyclone, fire or unforeseen causes provided that the service which the asset 'gives is not changed and that the asset in the public interest is required to be replaced immediately.

**Note:-** The formula is applicable also to reconstruction or replacement of an asset necessitated by wear and tear if the service intended to be provided by such re construction or replacement is not different from or superior to that which was Originally, provided or intended.

- ii) **'Expenditure by Government departments or Grants to local bodies towards repairs of flood damages on roads:-** Expenditure by Government Department towards repairs, restoration of damaged works due to cyclone, floods etc., and Grants to local bodies for special repairs to roads even though such special repairs are not necessitated by floods, cyclones or other unforeseen causes but by the omission of the local bodies to effect ordinary repairs. " .
- iii) Additional expenditure 'due to the continued employment after the expiry of the period originally fixed, of a special staff which has been appointed for a specific piece of work, and for which the Legislature has voted funds for a specific period.
- iv) Diversion of a scholarship for the study of one technical subject at one institution for the study of the same or another subject in another institution.
- v) Debit of expenditure for the same purpose to a grant other than that under which it was originally voted by the Legislature due to change in classification.
- vi) Expenditure on relief measures due to drought, floods, cyclones heavy rains etc.

**(G.O.Ms.No.265, Finance & Planning (FW:BG) Department dt. 15.5.1990).**

## **I. REAPPROPRIATIONS**

17.4. Reappropriations as between different grants or between Revenue, Capital or Loans sections within the same grant or between the charged and voted sections of the same grant are not permissible, but reappropriations between units of appropriations within a grant may be made, as and when they become necessary in the course of the financial year, except in the following cases:-

- i. From any sub-head which takes credit for probable savings until sufficient savings to cover that credit have been surrendered to the Finance Department.

- ii. For expenditure, whether charged or voted, on a 'New Service' not contemplated in the budget estimates until provision has been made for the purpose in an Appropriation Act.
- iii. Credits found to be more than anticipated under the sub-heads accommodating recoveries of expenditure will not be available for reappropriation. As the Demand for Grant, original or supplementary, is made for the Gross expenditure without taking into account deductions on account of recoveries, credits on account of recoveries of expenditure should be ignored for the proposes of sanctioning reappropriation of funds for obtaining supplementary grants.

NOTE 1 The term Recoveries represents Credits taken under a particular head of account with per contra debit to another head of account.

NOTE 2 In the case of original works budgeted for under "2216 Housing" and "4216 Capital Outlay on Housing", "2701 Major &Medium Irrigation", "2711 Flood Control and Drainage", "2801 Power" "2059 Public Works", "4701 Capital Outlay On Major and Medium Irrigation", "4711 Capital Outlay on Flood Control Projects, "4702 Capital Outlay on Minor Irrigation", "4801 Capital Outlay on Power Projects", "4059 Capital Outlay on Public Works", and other relevant, functional major heads, the units of appropriation are the provision for each major work and the lumpsum provision for minor works. If in the course of the year, a major work becomes a minor work and vice-versa, the expenditure will continue to be debited to the unit under which provision has been made in the budget, the change in classification be given effect to in the succeeding year if the work is likely to be carried forward into that year.

17.5. Reappropriations should be from one unit if appropriation to another, the unit heads not being those accommodating recoveries. Reappropriation is permissible only when a saving under one head of account and an excess under another are known or anticipated with reasonable certainty or when it is deliberately proposed to curtail expenditure under one head with a view to incurring more urgent additional expenditure under another. Deliberate reappropriation from one unit head to another as a temporary device in the expectation of restoring the diverted amount from savings which might occur under other heads later in the year is objectionable and irregular. Reappropriations should invariably be in multiple of Rs.1,000/-.

17.6.1. Administrative departments of the Government and the Heads of Departments and other authorities mentioned below may, subject to the general restrictions imposed in paragraph 17.4 and any other special restrictions imposed in particular cases, sanction reappropriations, in respect of either charged or voted expenditure from one major head of account to another within a grant in respect of which they are the Chief Controlling Officers, provided that –

- a. the expenditure is under the general control of the administrative department concerned or the general or direct control of the head of a department or authority sanctioning the reappropriation;
- b. the reappropriation does not involve the undertaking of recurring liability, that is a liability which extends beyond the financial year in question;
- c. It is not for the purpose of meeting expenditure on an object for which no provision has been made in the Appropriation Act or Appropriation Act pertaining to the supplementary statement of expenditure for the year; and
- d. reappropriation of funds should not be sanctioned by the Heads of Departments from Plan allotments to Non-Plan expenditure and vice-versa. The Heads of Departments and other Chief Controlling Officers should not also sanction reappropriation of funds to any other detailed heads from the provisions made under "Salaries and Travel Expenses" and vice-versa. Reappropriation of funds should not also be sanctioned by the Heads of Departments and other Chief Controlling Officers from any other detailed heads to the detailed head "Office Expenses", except for meeting expenditure on "Service Postage, Telephone and Telegram Charges" and "Water and Electricity Charges". If it is considered essential to sanction such reappropriations under extraordinary circumstances the Heads of Departments should send such proposals to the Finance Department through the Administrative Department of the Secretariat concerned for sanctioning reappropriation of funds on the merits of each case. In all such cases the special grounds on which the proposals are sent should be clearly explained in each case. Finance Department is also empowered to declare other items also inappropriable at their discretion.

Note-1 Proviso 17.6(b) does not apply when the undertaking of the liability has already been sanctioned with the concurrence of the Finance Department and the reappropriation is made merely to give effect to the sanction.

Note-2 Proviso 17.6(c) does not apply to the provision of funds by reappropriation by the competent authority for expenditure which the department concerned expected to incur in the preceding year but unavoidably had to carry forward to the current year e.g., expenditure on a work in progress which the department concerned expected to complete and pay for in the preceding year and for which provision was included in the Appropriation Act for the current year.

Note-3 The Heads of Departments and other Chief controlling officers can reappropriate funds from all the detailed heads other than "Salaries and Travel Expenses" under one sub-head to the detailed heads

"Salaries and Travel Expenses" the reappropriations can be made only from "Salaries" to "Salaries" and from "Travel Expenses" to "Travel Expenses" under different sub-heads.

The Heads of Departments and other Chief Controlling Officers and also reappropriate funds from the detailed head "office expenses" under one sub-head to the detailed head "Office Expenses" under another sub-head for all purposes falling under "Office Expenses".

### **Reappropriation of funds - Delegation of powers to Heads of Department:**

As a part of the fiscal reforms, Government had delegated certain powers; to the Heads of Departments to reappropriate funds at their level subject to certain restrictions. The above delegation of powers is being reviewed by the Government from time to time and it is felt necessary to bring all these instructions on delegation of powers in one circular. The following consolidated instructions on delegation of powers at the level of Heads of Departments is ordered.

### **Powers delegated to Heads of Departments to make reappropriations in the following cases:**

- i. Reappropriations between Revenue to Revenue, Capital to Capital and Loans to Loans within the same Grant.
- ii. Reappropriation from one Unit of appropriation to another except under recoveries Unit Heads.
- iii. Reappropriations to the detailed Heads 130 Office Expenses/131 Service Postage, Telegram and Telephone Charges - 133 Water and Electricity Charges in the Revised Classifications, from other non-salary detailed heads but not vice-versa.
- iv. Reappropriation from any other Heads to 010 Salaries and 013 Dearness Allowances but not Vice-versa.
- v. Reappropriation within the non-salary O&M both under Plan and Non-Plan except '270 Minor Works', '272 Maintenance',
- vi. Reappropriations from one detailed head to another under 'Salaries' and 'Travel Expenses' and from all the detailed heads under sub-heads other than 'Salaries' and 'Travel Expenses' to any detailed heads under another sub-head or within the same sub-head.

### **No reappropriations are however permitted in respect of the following cases:**

- i. From one Grant to another Grant.

- ii. Between Revenue, Capital and Loans Sections even in the same Grant.
- iii. Expenditure constituting New Service.
- iv. From Lump sum provision to any other Head.
- v. From or to 311 Grants-in-aid towards salaries 312 Other Grants-in-Aid.
- vi. When no provision has been made in the Appropriation Act or Appropriation Act pertaining to the Supplementary Statement of Expenditure for the year.
- vii. From Plan to Non-Plan.
- viii. Non-Plan Salary Heads to Plan.
- ix. From or to the detailed heads 512 Purchase of Motor Vehicles. 530 Major works. 270 Minor Works, 272 Maintenance. 520 Machinery & Equipment, 211 Materials and Supplies.
- x. From any Head to give loans and advances to the employees under the Section Loan Account.
- xi. The Heads of Departments are not authorized to make reappropriations during 4th quarter of financial year.

**Conditions:**

1. The expenditure should be under the general control of the administrative department concerned or under the general or direct control of the Head of the Department or authority sanctioning reappropriations though provisions are available under the same Grant.
2. Reappropriation should invariably be rounded to the multiple of thousands only.
3. Reappropriation is permissible when a saving under one Head of Account and excess under another are known or anticipated with reasonable certainty or when it is directly proposed to curtail expenditure under one Head with a view to incurring more urgent additional expenditure under another;
4. Deliberate Reappropriation from one Unit Head to another as temporary device in the expectation of restoring the debited amount from savings which might occur under other heads later in the year is objectionable and irregular and will be viewed seriously.

5. Reappropriation should not involve the undertaking of recurring liability i.e. liability which extends beyond the financial year in question.
6. Reappropriation should not involve transfer of funds to meet the expenditure on a work or a project, which has not received the requisite administrative approval and technical sanction and should not involve an appropriation of funds in excess of the amount of estimate, if technical sanction has been accorded.
7. The reasons for additional appropriations and savings should be explained clearly and fully while issuing the orders of Reappropriation.
8. Reappropriations should not be rushed through at the fag end of the financial year, to prevent the lapse of an appropriation.
9. All Reappropriation Orders shall invariably be marked to the Budget Estimates/Expenditure Sections concerned in the Finance Department in Secretariat, Accountant General, Andhra Pradesh, Hyderabad, Pay and Accounts Officer, Hyderabad, Director of Treasuries and Accounts, Hyderabad in addition to the administrative departments concerned in the Secretariat.

The instructions laid down in the A.P. Budget Manual, in this regard, should be followed scrupulously.

**(Memo.No.6413-A/184/BG/A1/2002, dt.11-3-2002 of Finance (BG) Department)**

**Re-appropriation of funds – Delegation of powers to Heads of Departments under the control of I & CAD Department:**

Government have issued instructions delegating certain powers to Heads of Department for re-appropriation of funds at their level under certain detailed heads. Government have considered to issue the following orders delegating powers of reappropriation only to the HODs under the control of I&CAD Department to facilitate them to accelerate the pace of expenditure under Irrigation Sector.

**Powers delegated to Heads of Departments under the control of I&CAD Department to make reappropriations in the following cases:**

- i. Reappropriations between Revenue to Revenue, Capital to Capital and Loans to Loans within the same Grant, Project/Scheme under the control of same HOD.
- ii. Reappropriations from one unit of appropriation (detailed head) to another unit of appropriation (detailed head) within a Project/Scheme under the same component of expenditure i.e. salary to salary and non-salary to non-salary.



- iii. Reappropriations within Group Sub-Head (Ex: RIDF, AIBP, APERP, AP III etc.) of the same Project for getting reimbursement in respect of Projects/Schemes linked with funds from outside agencies. .

### **Reappropriation to be issued by the Government in Finance Department**

- i. From one Project/Scheme to another Project/Scheme even under the control of the same HOD.
- ii. From the provisions of one HOD to another HOD under the same Grant.

### **No reappropriations are however permitted in respect of the following cases:**

- i. From one Grant to another Grant.
- ii. Between Revenue, Capital and Loans Sections even in the same Grant.
- iii. Expenditure constituting New Service/Project/Scheme for which there was no budget provision previously.
- iv. From Charged provision to Voted provision or vice-versa.
- v. From Plan to Non-Plan
- vi. Reappropriations for accommodating recoveries.
- vii. No further increases will be allowed under the heads where the reappropriation already effected by decreasing the amounts and this shall be kept in mind while proposing reappropriation.

### **Conditions:**

- i. A reappropriation should not involve transfer of funds to meet expenditure on a work or project which has not received the requisite administrative approval and technical sanction, and should not involve an appropriation of funds in excess of the amount of the estimate, if technical sanction has been accorded.
- ii. Reappropriation is permissible when a saving under one Head of Account and excess under another are known or anticipated with reasonable certainty or when it is directly proposed to curtail expenditure under one Head with a view to incurring more urgent additional expenditure under another.
- iii. Reappropriations should invariably be rounded to the multiple of thousands only.
- iv. Reappropriations should not involve the undertaking of recurring liability i.e. liability which extends beyond the financial year in question.

- v. The reasons for additional appropriation and savings should be explained clearly and fully while issuing the orders of Reappropriation.
- vi. Reappropriation from one Project to another Project under the same HOD, the HODs concerned under the control of I&CAD Department shall furnish necessary reappropriation proposals directly to the Finance Department under intimation to I&CAD Department.
- vii. Reappropriations proposals from one HOD to another HOD shall be furnished by I&CAD Department to Finance Department with specific remarks of both the HODs.
- viii. All reappropriation Orders issued by the HODs concerned shall invariably be marked to the Finance (BG)/Expenditure) Department and Finance (Projects Wing) Department in Secretariat, Accountant General (A&E)" A.P., Hyderabad, Director of Works Accounts, Hyderabad, Director of Treasuries and Accounts, Hyderabad in addition the administrative departments in the Secretariat.

All the HODs under the control of I&CAD Department shall follow the above instructions scrupulously while dealing with reappropriation of funds under their control.

**(Memo.No.16560-A/763/BG/A1/2005, dt.27-6-2005 of Finance (BG) Department)**

**Heads of Departments and other authorities authorized to sanction reappropriation of funds.**

AGRICULTURE AND COOPERATION, SECRETARIAT DEPARTMEN	
	AGRICULTURE,HOD
	HORTICULTURE,HOD
	SERICULTURE, HOD
ANIMAL HUSBANDRY & FISHERIES, SECRETARIAT DEPARTME	
	ANIMAL HUSBANDRY,HOD
	FISHERIES, HOD
AGRICULTURE MARKETING & COOPERATION, SECRETARIAT D	
	DIRECTOR OF MARKETING, HOD
	REGISTRAR OF COOPERATIVE SOCIETIES
BACKWARD CLASSES WELFARE DEPARTMENT, SECRETARIAT D	
	BACKWARD CLASSES WELFARE, HOD
ENVIRONMENT, FOREST, SCIENCE&TECH, SECRETARIAT DEP	
	PRINCIPAL CHIEF CONSERVATOR OF FOREST, HOD
HIGHER EDUCATION, SECRETARIAT DEPARTMENT	
	TECHNICAL EDUCATION, HOD
	COLLEGIATE EDUCATION, HOD
	ARCHIVES TARNAKA
	INTERMEDIATE EDUCATION, HOD
	ORIENTAL MANUSCRIPTS

ENERGY, SECRETARIAT DEPARTMENT	
	CHIEF ELECTRICAL INSPECTOR TO GOVERNMENT, HOD
	CHIEF ENGINEER, ELECTRICAL GENERATION, HOD
	BOILERS, HOD
PRIMARY EDUCATION, SECRETARIAT DEPARTMENT	
	PRIMARY EDUCATION DEPARTMENT
	ADULT EDUCATION, HOD
	PUBLIC LIBRARIES
	JAWAHAR BAL BHAWAN
	GOVERNMENT TEXTBOOK PRESS, HOD
	PROJECT DIRECTOR, SARVA SIKSHA ABHIYAN (Rajiv Vidy Mission)
SECONDARY EDUCATION, SECRETARIAT DEPARTMENT	
	SCHOOL EDUCATION,HOD
	GOVERNMENT EXAMINATIONS, HOD
	REGISTRAR OF PUBLICATIONS
FOOD & CIVIL SUPPLIES, SECRETARIAT DEPARTMENT	
	CIVIL SUPPLIES, HOD
	LEGAL METROLOGY
	A.P. STATE CONSUMER DISPUTES REDRESSAL COMMISSION
FINANCE, SECRETARIAT DEPARTMENT	
	TREASURIES AND ACCOUNTS, HOD
	STATE AUDIT,HOD
	LIFE INSURANCE DEPT, HOD
	PAY AND ACCOUNTS OFFICER, HOD
	SMALL SAVINGS, HOD
	FINANCE, HOD
	DIRECTOR OF WORKS ACCOUNTS, HOD
GENERAL ADMINISTRATION, SECRETARIAT DEPARTMENT	
	INFORMATION & PUBLIC RELATIONS,HOD
	PUBLIC SERVICE COMMISSION,HOD
	TRIBUNAL FOR DISCIPLINARY PROCEEDINGS,HOD
	ANTI CORRUPTION BUREAU,HOD
	DIRECTOR, PROTOCOL, HOD
	GOVERNOR & GOVERNOR SECRETARIAT
	LOK AYUKTA & UPA LOK-AYUKTA,HOD
	ESTATE OFFICER KHAIRATABAD,HOD
	VIGILANCE & ENFORCEMENT, HOD
	O/O SPECIAL COMMISSIONER, AP GUEST HOUSE, NEW DELH
	VIGILANCE COMMISSION
	MCR HRD INSTITUTE,HOD
	REGISTRAR OF CENSUS
	PROTOCOL
	CHIEF ELECTORAL OFFICER, ELECTIONS
	ADMINISTRATIVE TRIBUNAL
	DIRECTOR OF TRANSLATIONS
	A.P INFORMATION COMMISSION, HOD
HEALTH, MEDICAL & FAMILY WELFARE DEPARTMENT, SECRE	
	MEDICAL EDUCATION, HOD
	HEALTH, HOD
	FAMILY WELFARE, HOD
	INSTITUTE OF PREVENTIVE MEDICINE, HOD
	DEPARTMENT OF AYURVEDA,YOGA,UNANI,SIDDHA & HOMOEOP
	DRUGS CONTROL ADMN, HOD
HOME, SECRETARIAT DEPARTMENT	
	DIRECTOR GENERAL & INSPECTOR GENERAL OF POLICE, HO

	DIRECTOR GENERAL & INSPECTOR GENERAL OF PRISON, HO
	PRINTING, STATIONERY & STORES PURCHASE, HOD
	DIRECTOR GENERAL OF FIRE AND EMERGENCY SERVICES, H
	SAINIK WELFARE, HOD
	POLICE ACADEMY
	COMMISSIONER OF CITY POLICE, HOD
	I.G.P. INTELLIGENCE
	PRINCIPAL CIVIL DEFENCE DMI
	I.G.P. HOME GUARDS
	I.G.P. AP SPECIAL PROTECTION FORCE
	I.G. GREY HOUNDS
	COMMISSIONER OF CYBERABAD POLICE, HOD
	DIRECTOR GENERAL, ORGANISATION OF COUNTER TERRORIS
HOUSING DEPARTMENT, SECRETARIAT DEPARTMENT	
	WEAKER SECTION HOUSING, HOD
IRRIGATION & COMMAND AREA DEVELOPMENT, SECRETARIAT	
	COMMISSIONER, COMMAND AREA DEVELOPMENT AUTHORITY,
	DIRECTOR, GROUND WATER DEPARTMENT, HOD
	CHIEF ENGINEER, A.P. ENGINEERING RESEARCH LABORATO
	ENGINEER-IN-CHIEF (ADMINISTRATION), HOD
	ENGINEER-IN-CHIEF, MAJOR IRRIGATION, FLOOD CONTROL
	ENGINEER-IN-CHIEF, MEDIUM IRRIGATION, HOD
	CHIEF ENGINEER, MINOR IRRIGATION, HOD
	CHIEF ENGINEER, NAGARJUNA SAGAR PROJECT, HOD
	CHIEF ENGINEER, SREERAM SAGAR PROJECT, STAGE-II, H
	CHIEF ENGINEER, NEELAM SANJEEVA REDDY SAGAR SREESA
	CHIEF ENGINEER, N.T.R TELUGU GANGA PROJECT, HOD
	ADMINISTRATOR-CUM-CHIEF ENGINEER, SREERAM SAGAR PR
	SECRETARY, TUNGABHADRA BOARD, TUNGABHADRA DAM, HOD
	CHIEF ENGINEER, VAMSADHARA, YELERU, POLAVARAM PROJ
	CHIEF ENGINEER, GODAVARI LIFT IRRIGATION SCHEME, W
	CHIEF ENGINEER, CENTRAL DESIGN ORGANISATION, HOD
	CHIEF ENGINEER, INTER STATE WATER RESOURCES, HOD
	COMMISSIONER OF TENDERS, HOD
	CHIEF ENGINEER (PROJECTS), IRRIGATION, KADAPA, HOD
	CHIEF ENGINEER, HYDROLOGY, HOD
	COMMISSIONER, KRISHNA BASIN
	COMMISSIONER, GODAVARI BASIN
	CHIEF ENGINEER (PROJECTS), NORTH COASTAL DISTRICTS
	CHIEF ENGINEER (PROJECTS), ONGOLU
	CHIEF ENGINEER (PROJECTS), ANANTAPUR
	CHIEF ENGINEER, INDIRA SAGAR POLAVARAM PROJECT
	CHIEF ENGINEER (PROJECTS), MAHABOONNAGAR
	PROJECT DIRECTOR, PPMU, APWSIP
	CHIEF ENGINEER, FFC (SRSP) & SYP, LMD COLONY, KARI
	CHIEF ENGINEER (PROJECTS), IRRIGATION, KURNOOL
	COMMISSIONER, RESETTLEMENT AND REHABILITATION, HOD
	CHIEF ENGINEER, QUALITY CONTROL WING FOR ANDHRA RE
	CHIEF ENGINEER, QUALITY CONTROL WING FOR TELANGANA
	CHIEF ENGINEER, QUALITY CONTROL WING FOR RAYALASEE
	CHIEF ENGINEER, DR. B.R. AMBEDKAR PRANAHITA-CHEVEL
	CHIEF ENGINEER, RAJIV SAGAR, INDIRA SAGAR LIFT IRR
	CHIEF ENGINEER, FLOOD BANKS
	CHIEF ENGINEER, MODERNISATION
	CHIEF ENGINEER, CWC CLEARANCE AND AIBP ASSISTANCE,

INFRASTRUCTURE AND INVESTMENT DEPARTMENT	
	DIRECTOR OF STATE PORTS, KAKINADA
INDUSTRIES AND COMMERCE, SECRETARIAT DEPARTMENT	
	INDUSTRIES, HOD
	HANDLOOMS & TEXTILES, HOD
	MINES AND GEOLOGY, HOD
	SUGAR CANE COMMISSIONER, HOD
	COMMERCE AND EXPORT PROMOTION, HOD
	CHAIRMAN, INFRASTRUCTURE AUTHORITY
INFORMATION TECHNOLOGY & COMMUNICATIONS, SECRETARIAT	
	DIRECTOR, ELECTRONICALLY DELIVERABLE SERVICES, HOD
LABOUR AND EMPLOYMENT, SECRETARIAT DEPARTMENT	
	EMPLOYMENT AND TRAINING, HOD
	LABOUR, HOD
	LABOUR COURT-I, HYDERABAD
	FACTORIES, HOD
	CHAIRMAN, ADDITIONAL INDUSTRIAL TRIBUNAL
	CM-CUM-PO INDUSTRIAL TRIBUNAL-CUM-LABOUR COURT
	LABOUR COURT-II, HYDERABAD
	LABOUR COURT-III, HYDERABAD
	LABOUR COURT, GUNTUR
	LABOUR COURT-CUM-INDUSTRIAL TRIBUNAL, VISAKHAPATNA
	LABOUR COURT, ANANTAPUR
	LABOUR COURT, WARANGAL
	LABOUR COURT, GODAVARIKHANI
	INDUSTRIAL TRIBUNAL-I, HYDERABAD
	ADDITIONAL INDUSTRIAL TRIBUNAL, HYDERABAD
	INDUSTRIAL TRIBUNAL-II, HYDERABAD
	INSURANCE MEDICAL SERVICES, HOD
LAW DEPARTMENT, SECRETARIAT DEPARTMENT	
	REGISTRAR OF HIGH COURT
	PROSECUTIONS, HOD
	ADVOCATE GENERAL'S OFFICE
	MEMBER SECRETARY, STATE LEGAL SERVICES AUTHORITY
	A.P JUDICIAL ACADEMY
	LEGISLATIVE SECRETARIAT
MUNICIPAL ADMINISTRATION AND URBAN DEVELOPMENT, SE	
	MUNICIPAL ADMINISTRATION, HOD
	TOWN AND COUNTRY PLANNING
	PUBLIC HEALTH
MINORITIES WELFARE DEPARTMENT, SECRETARIAT DEPARTMENT	
	MINORITIES COMMISSION
	MINORITIES WELFARE
PUBLIC ENTERPRISES, SECRETARIAT DEPARTMENT	
PLANNING, SECRETARIAT DEPARTMENT	
	ECONOMICS AND STATISTICS, HOD
FINANCE (WORKS & PROJECTS), SECRETARIAT DEPARTMENT	
PANCHAYAT RAJ AND RURAL DEVELOPMENT, SECRETARIAT D	
	PANCHAYAT RAJ, HOD
	ENGINEER-IN-CHIEF (GENERAL & PANCHAYAT RAJ)
	ELECTION COMMISSION
	RURAL DEVELOPMENT. HOD
	CHIEF ENGINEER, RURAL WATER SUPPLY
	APARD
	WOMEN EMPOWERMENT & SELF EMPLOYMENT

REVENUE DEPARTMENT, SECRETARIAT DEPARTMENT	
	LAND ADMINISTRATION,HOD
	COMMERCIAL TAXES,HOD
	EXCISE,HOD
	SETTLEMENT AND LAND RECORDS, HOD
	SPECIAL COURT UNDER AP LAND GRABBING (PROHIBITION)
	ENDOWMENTS,HOD
	REGISTRATION AND STAMPS, HOD
	EDITOR DIST GAZETTERS, HOD
	COMMISSIONER FOR RELIEF, HOD
	SALES TAX APPELLATETRIBUNAL, HOD
	SETTLEMENTS, HOD
	SURVEY AND LAND RECORDS, HOD
	REGISTRAR GENERAL OF BIRTHS, DEATHS & MARRIAGES, H
	RAIN SHADOW AREAS DEVELOPMENT DEPARTMENT
SOCIAL WELFARE, SECRETARIAT DEPARTMENT	
	SOCIAL WELFARE,HOD
	TRIBAL WELFARE,HOD
	CHIEF ENGINEER, TRIBAL WELFARE, HOD
TRANSPORT, ROADS AND BUILDINGS DEPARTMENT, SECRETARIAT	
	ENGINEER-IN-CHIEF ROADS, HOD
	TRANSPORT COMMISSIONER, A.P, HOD
	CHIEF ENGINEER BUILDING, HOD
	CHIEF ENGINEER (R&B), EAP, RDC, HOD
	CHIEF ENGINEER, NABARD, HOD
	CHIEF ENGINEER, APHM&ECRP, HOD
	ENGINEER-IN-CHIEF (R&B, NH, ADMN. CRF, ROB/RUBS),
	ENGINEER-IN-CHIEF (R&B) FC & HUDCO, HOD
WOMEN DEVELOPMENT, CHILD WELFARE AND DISABLED WELFARE	
	WOMEN DEVELOPMENT & CHILD WELFARE, HOD
	DISABLED WELFARE, HOD
	JUVENILE WELFARE,HOD
YOUTH ADVANCEMENT, TOURISM AND CULTURE, SECRETARIA	
	CULTURAL AFFAIRS
	TOURISM
	YOUTH SERVICES,YUVASAKTI
	N C C
	SAAP L.B.STADIUM
	ARCHAEOLOGY & MUSEUMS, HOD

17.6.2. Subject to the same restrictions as in paragraph 17.6.1 the following officers may sanction reappropriations out of the amounts placed at their disposal to the extent indicated:-

- i. **Superintending Engineers:-** under all major heads of expenditure under the control between heads, subordinate to a minor head provided that under the major heads 2059 public works,2216 housing, 3054 Roads and Bridges, 4059 Capital outlay on public works, 4216 Capital Outlay on housing, 5054 Capital Outlay on Road and Bridges, they may sanction reappropriation only under the following heads:-
  - Original Works – Buildings
  - Original Works - Communications
  - Original Works – Miscellaneous.

- ii. **Executive Engineers** – Under 2059 Public Works, 2216 Housing, 3054 Roads and Bridges, 4059 Capital Outlay on Public Works, 4216 Capital Outlay on Housing, 5054 Capital Outlay on Roads and Bridges, between one major work and another.
  - iii. **Chief Electrical Inspector to Government** – Between the sub-heads and the detailed heads of appropriation within the minor head “103. Collection charges – Electricity Duty” under the major head “2045. Other Taxes and Duties on Commodities and Services”.
  - iv. **Conservator of Forests** – Under 2406 Forestry, and Wild life” Except under the minor head “Direction and Administration”.
1. As an exception to the restriction in paragraph 20.6.1 © above the Chief Engineer (Road And Buildings), Superintending Engineers and Executive Engineers of the public Works Department may sanction a reappropriation for a new minor work falling under “2059 public Works”, “2216 Housing”, and “3054 Roads And Bridges” for which no provision has been made in the budget, provided that the cost of such work does not exceed Rs.2,500.
  2. The powers of officers of the Public Works and Irrigation departments to sanction reappropriations are subject also to the following further restrictions:-
    - i. A reappropriation should not involve transfer of funds to meet expenditure on a work or project which has not received the requisite administrative approval and technical sanction, and should not involve an appropriation of funds in excess of the amount of the estimate, if technical sanction has been accorded.
    - ii. The total appropriation for minor works under a minor head under “2059 Public Works, 2216 Housing and 3054 Roads and Bridges” should not be exceeded.
    - iii. The amount reappropriated from or to a single major work should not exceed Rs.25,000 in the case of the Chief Engineer and Superintending Engineers and Rs.5,000 in the case of Executive Engineers.
    - iv. Under the heads “4700 Capital Outlay on Major Irrigation”, “4701 Capital outlay on Medium Irrigation” and “2700 Major Irrigation”, “2701 Medium Irrigation”, the amount of reappropriation sanctioned by the Chief Engineer from a particular project or system to another should not exceed Rs.10,000 Superintending Engineers have no power to sanction reappropriation from one project or system to another under any of the Irrigation heads.

17.6.5. The first restriction in paragraph 17.6.4 will apply also to the powers of reappropriation delegated to the Chief Engineer for Electricity. The powers of the Chief Engineer for Electricity and the Chief Electrical Inspector to Government to sanction Reappropriation are subject to the further condition that the amount re-appropriated from one unit of appropriation to another does not exceed Rs.10,000 and Rs.2,000 respectively.

17.7. The Chief Controlling Officers in the Forest, Irrigation, Roads and Buildings and Electricity Departments will be held responsible for seeing that the officers subordinate to them exercise properly the powers of reappropriation delegated to them and that no irregular reappropriations are allowed.

17.8. If the appropriation under a unit is reduced by reappropriation sanctioned by a competent authority or by resumption, the expenditure debitable to the unit should be restricted to the reduced appropriation. No authority subordinate to the one which sanctioned the reduction in the original appropriation may increase the appropriation in the exercise of its own powers of reappropriation, unless the previous consent of the authority which reduced the appropriations has been obtained. If the authority be the Government in the Finance Department, the sanction should be applied for, when necessary, through the Government in the administrative department concerned.

#### **INSTRUCTIONS FOR THE PREPARATION, SUBMISSION ETC., OF REAPPROPRIATION STATEMENTS**

17.9. Proposals for reappropriations, which heads of departments and other authorities are not competent to sanction should be submitted with two copies of the reappropriation statements to the administrative department of Government which may sanction them if competent to do so, or forward them to the Finance Department for sanction.

17.10. (i) When any reappropriation is sanctioned the authority which accords the sanction should draw up its proceedings and forward one copy direct to the Accountant General and one copy to the Government in the administrative department which will transmit it to the finance Department. When the sanctioning authority is not the head of a department, these copies should be forwarded to the Government through the latter.

(ii) An application to the Government for a reappropriation of funds should be prepared and the head of the department should submit it direct to the Administrative Department as a rule. But Proposal for reappropriations relating to 'Public Works Establishments' or which involve expenditure not falling within an existing sub-head should be submitted through the Accountant General who, in the latter case, will advise the government as to the appropriate sub-head under which the additional appropriation may be sanctioned.



(iii) Separate statements should be prepared for reappropriation relating to charged and voted expenditure respectively. When a Chief Controlling Officer controls the expenditure under more than one grant, separate surrender and reappropriation statements should be submitted for each grant. The reason for the additional expenditure and the savings should be explained clearly and fully on the reverse of the relevant form or in a covering letter.

#### **IV. SUPPLEMENTARY APPROPRIATION**

17.11. As stated in paragraphs 17.3.1 to 17.3.7 a supplementary appropriation is an addition to the total authorized grant and has to be obtained in the manner prescribed in Article 205 of the Constitution, passing through the same stages of legislative procedure as the annual financial statement.

17.12.. Supplementary appropriations are required in the following cases:-

- i. when the amount included in a grant (charged or voted section ) is found to be insufficient for the expenditure which has to be incurred during the year, irrespective of the causes contributing to the increase;
- ii. when expenditure whether charged or voted, has to be incurred on a new service contemplated in the Appropriation Act for the year even though it can be met wholly or in part by reappropriation within the amount of the authorized expenditure under a grant;
- iii. When it is desired to obtain the prior approval of the Legislature to a scheme involving large financial commitments even though little or no expenditure on that account may be anticipated in the Budget year.

17.13.1. The primary responsibility in regard to proposals for supplementary appropriations rests on the Chief Controlling Officer. He should explain clearly not only why a supplementary appropriation is required but also why the need for the funds was not foreseen at the time when the original estimates were framed. The Government will not accept any proposal for a supplementary appropriation unless they are convinced that , if the supplementary appropriation is not sanctioned, serious inconvenience will be caused to the public service. The Chief Controlling Officer should , therefore, give his reasons for thinking that such inconvenience would be caused if the proposal was rejected.

17.13.2. Greatest care should be taken in submitting proposals for supplementary appropriations, as the procedure for obtaining them involves considerable labour. If, moreover, after the close of the financial year any supplementary appropriations actually obtained are found to have been unnecessary, this will be regarded as an irregularity and the Accountant General will draw attention to it in the Audit Report on the Appropriation Accounts which is presented to the Legislature and Examined by the Committee on Public Accounts.

17.13.3. Proposals for supplementary appropriations should be submitted to the Government in the administrative departments concerned as and when the necessity arises. The administrative department will examine the proposals received by them and forward them with their recommendations to the Finance Department. Proposals received direct by the Finance Department will be referred to the administrative departments concerned for their remarks, and the administrative departments will ask the Chief Controlling Officer of the grant concerned, if necessary, for his opinion as to whether the application may be complied with. If a supplementary appropriation is required solely on account of the insufficiency of the original appropriation placed at the disposal of the Controlling Officer concerned, and if there are savings resumed and held under the grant concerned which the Controlling Officer was not aware of, the Finance Department will, if convinced of the necessity for the supplementary appropriation, sanction by reappropriation from these savings. If there are no such savings, the procedure prescribed for laying before the Legislature supplementary statements of expenditure will be followed.

17.13.4. Copies of all sanctions accorded by the Finance Department and of the Appropriation Act pertaining to the supplementary statement of expenditure will be communicated to the Accountant General, the administrative department and the Chief Controlling Officers concerned in all cases.

17.13.5. Resumption of savings, reappropriations and supplementary appropriations may be authorised by the competent authority upto and including the last day of financial year concerned, but not after its expiry. The latest dates by which proposals that require the sanction of the Government should reach the Government are as shown below:-

- i. Receipt in the administrative department of proposals from Chief Controlling Officer and from local bodies in the case of proposals to be submitted by them – 15<sup>th</sup> February.
- ii. Receipt in the Finance Department from the administrative department --- 25<sup>th</sup> February.
- iii. In the case of savings relating to special items (eg., expenditure on land acquisition, payment of cost of materials and disbursement of grant-in-aid) which could not be foreseen earlier, surrenders may be made to the Finance Department upto the 20<sup>th</sup> March, if the amount involved exceeds Rs.10,000 or 10 per cent of the final appropriation, whichever is greater under the concerned unit of appropriation.
- iv. In exceptional cases, Finance Department may be advised of further savings upto the 25<sup>th</sup> March, if the amount involved under the unit of appropriation concerned exceeds 10 per cent of the final appropriation or rupees one lakh, whichever is greater.

- v. When proposals for surrender are made later i.e., by the 20<sup>th</sup> March or 25<sup>th</sup> March, full explanations should be given as to why the savings could not be foreseen earlier.

17.14. Proposals for surrender which are received very late run the risk of not being accepted by the Finance Department, even if there are adequate reasons, as resumption orders cannot be issued by the Government after the 31<sup>st</sup> March. All proposals for surrender of savings should, therefore, be sent to the Finance Department as soon as they are foreseen and officers who make any belated surrender which could have been made earlier, will be held personally responsible for the irregularity. Proposals received after the prescribed dates will not be considered by the Finance Department.

## **V. SAVINGS IN OR EXCESSES OVER THE FINAL APPROPRIATIONS FOR A FINANCIAL YEAR**

17.15. 15<sup>th</sup> of February has been fixed as the latest date for submission to the Government by Controlling Officers of applications for surrender of savings in appropriations and for reappropriations and supplementary appropriations. While it is the duty of supplying department to arrange to raise a debit against the receiving department, it is equally the duty of the Chief Controlling Officers to remind the supplying department where necessary and see that a debit is raised in time and adjusted so as to avoid lapses of the funds provided for the purpose. This should enable them to formulate their final requirements for the year on the basis of the actual expenditure in the first nine or ten months and the anticipated requirements of the remaining months of the financial year. Savings or excesses remaining unregularised at the end of the year should occur only very rarely, if at all, and cannot as a rule be justified, unless they are due to circumstances beyond the control of the departmental officers concerned, e.g., the incurring of inevitable or emergent expenditure which could not have been foreseen. Such expenditure should not be carried over to the subsequent year, solely on the ground of absence of budget appropriation.

17.16. The final appropriation and the actual expenditure in the year under each head of appropriation within the several grants will be shown in the detailed appropriation accounts prepared by the Accountant General, after the close of the financial year, together with the explanation reported to him by the Controlling Officer. The Accountant General will also mention under the head "Control of Expenditure" in his general review of the results of audit in the Audit Report on the Appropriation Accounts:-

- (i) such variations under individual heads of appropriation, as he may deem to be of importance; and
- (ii) excesses or savings in the total final appropriations for each grant head, separately for voted and charged expenditure.

17.17.1. All Heads of Departments and Chief Controlling Officers should keep ready the explanations for all variations between the original and final grant and between the final grant and actual expenditure, so that the Draft Appropriation Accounts which will be sent to them by the Accountant General may be returned to him within a fortnight of its receipt after due scrutiny of the figures and with the explanation required. It should be noted that explanations have to be furnished to the Accountant General for variations in all cases irrespective of the amount involved, though most of them may not be finally incorporated in the Appropriation Accounts.

17.17.2. The following further instructions should also be carefully observed by all Heads of Departments and Controlling Officers:-

- (i) Explanations for variations should be concise, accurate and fully informative and should contain information as to whether the variations was inevitable and whether it could not be foreseen;
- (ii) Vaguely worded phrases such as "original provision proved insufficient or excessive", "based on progress of actuals etc.," should be avoided;
- (iii) It should be specifically stated why the original provision proved insufficient or excessive and how and why the actuals varied from the estimates;
- (iv) If the variation is due to more than one cause, the amounts due to each cause should be stated.

17.17.3. Variations mentioned by the Accountant General in the Audit Report will ordinarily be considered by the Committee on Public Accounts, which will make such recommendations as it may deem necessary, after considering the administrative department's notes based on the explanations of the Chief Controlling Officers for the variations. Explanations obtained by the administrative departments for the explanations not considered by the Public Accounts Committee should be forwarded with the administrative department's remarks to the Finance Department, which will request the administrative departments, when necessary to draw the attention of the Controlling Officer concerned to any instance of defective budgeting or control of expenditure in order that it may not be repeated.

17.17.4. Excesses over total final appropriations under the several grants, whether in the charged or in the voted section, should be included in a statement of excess expenditure, which will be presented to the Legislature.

## **CHPATER- 18**

### **COMMITTEE ON PUBLIC ACCOUNTS**

18.1. The Committee on Public Accounts is a Committee of the Legislative Assembly constituted in the manner laid down in rule 226 of those Andhra Pradesh Legislative Assembly Rules. Its primary function, as laid down in rule 225 of those rules, is to scrutinize the reports of the Comptroller and Auditor General relating to the Annual Appropriation Accounts of the State, which are submitted to the Governor under Article 151(2) of the Constitution of India, laid before the Legislature, and then referred by the Assembly to the Committee on Public Accounts. It is also open to the Finance Department to refer other matters to this Committee when necessary.

18.2. The Committee will meet at such times and places as the Chairman may fix. The Secretary to the Legislative Assembly or any Gazetted Officer of the Legislative Assembly authorized by him with the consent of the Speaker serves as Secretary to the Committee and he will intimate the time and place of each meeting and send the agenda and connected papers to the members, ordinarily not later than seven days before the date of the meeting. The period of notice may be reduced or dispensed with in particular cases on grounds of urgency with the approval of the Committee. Five members, including the Chairman, will constitute a quorum for a meeting. The Secretary for approval will record the proceedings of each meeting by the Chairman, and a copy will be communicated to each member for information.

18.3.1. The Annual Appropriation Accounts and the Audit Reports thereon are prepared in such form as may be prescribed by the Comptroller and Auditor General from time to time. Before changing the prescribed form, the usually consults the Finance Department, who may, if necessary, obtain the advice of the Committee on Public Accounts on the proposed change.

18.3.2. The Legislature Secretariat will prepare in consultation with the Accountant General a list of the items in the Annual Appropriation Accounts and Audit Report on which notes should be prepared by the administrative departments of the Secretariat concerned for the information of the Committee. A copy of this list will be forward to each member who may, if he wishes, suggest the inclusion in it of any other item or items mentioned in the Appropriation Accounts and Audit Report.

18.4. The Secretary to the Committee, the Secretary of the administrative department of the Secretariat concerned, and the Account General or an Officer deputed by him, will ordinarily attend every meeting of the Committee. It is open to the Committee to require also the presence of any head of a department or any other Government servant at particular meetings, when subjects with which he is concerned are considered. The Account General may be assisted by the Gazetted Officer of his office who investigated a particular case. The Accountant General may offer suggestions on all points considered by the Committee and may suggest questions to be put to witnesses.

18.5.1. The recommendations of the Committee will be embodied in a report which will be signed by each member, including the Chairman. This report will be presented to the Legislative Assembly by the Chairman of the Committee or in his absence by any other member of the Committee. But the report will not be taken up for consideration by the House as a matter of a course. If, however, on a later date there will be any need for the House to consider the report, it will be taken up on a motion given notice of by any member. It will be open to the Assembly to discuss the report and to make additional recommendation to the Government in connection with matters dealt with in the report, if it so desires.

18.5.2. Copies of the report will also be laid on the table of the Legislative Council. The Legislature Secretariat will forward copies of the report of the Committee and the recommendations of the Legislative Assembly thereon to the Accountant General and to the Comptroller and Auditor General.

18.6. The Legislature Secretariat is responsible for seeing that the recommendations of the committee on Public Accounts and of the Legislative Assembly are duly considered and that the orders passed on them are communicated to the Accountant General. A memorandum showing the action taken each year on such recommendations will be prepared by the Legislature Secretariat and placed before the Committee for consideration and incorporation in its next report.

18.7. The Legislature Secretariat will bring upto-date the "Epitome of the report of the Committees on Public Accounts" at intervals ordinarily of five years.

**CHPATER- 19**  
**FINANCIAL POWERS AS PER CONSTITUTION OF INDIA**

199. **Definition of "Money Bills:** (1) For the purposes of this Chapter, a Bill shall be deemed to be a Money Bill if it contains only provisions dealing with all or any of the following matters, namely:—

- (a) the imposition, abolition, remission, alteration or regulation of any tax;
- (b) the regulation of the borrowing of money or the giving of any guarantee by the State, or the amendment of the law with respect to any financial obligations undertaken or to be undertaken by the State;
- (c) the custody of the Consolidated Fund or the Contingency Fund of the State, the payment of moneys into or the withdrawal of moneys from any such Fund;
- (d) the appropriation of moneys out of the Consolidated Fund of the State;
- (e) the declaring of any expenditure to be expenditure charged on the Consolidated Fund of the State, or the increasing of the amount of any such expenditure;
- (f) the receipt of money on account of the Consolidated Fund of the State or the public account of the State or the custody or issue of such money; or
- (g) any matter incidental to any of the matters specified in sub-clauses (a) to (f).

(2) A Bill shall not be deemed to be a Money Bill by reason only that it provides for the imposition of fines or other pecuniary penalties, or for the demand or payment of fees for licences or fees for services rendered, or by reason that it provides for the imposition, abolition, remission, alteration or regulation of any tax by any local authority or body for local purposes.

(3) If any question arises whether a Bill introduced in the Legislature of a State which has a Legislative Council is a Money Bill or not, the decision of the Speaker of the Legislative Assembly of such State thereon shall be final.

(4) There shall be endorsed on every Money Bill when it is transmitted to the Legislative Council under article 198, and when it is presented to the Governor for assent under article 200, the certificate of the Speaker of the Legislative Assembly signed by him that it is a Money Bill.

200. **Assent to Bills:** When a Bill has been passed by the Legislative Assembly of a State or, in the case of a State having a Legislative Council, has been passed by both Houses of the Legislature of the State, it shall be presented to the Governor and the Governor shall declare either that he assents to the Bill or that he withholds assent there from  
or that he reserves the Bill for the consideration of the President:

Provided that the Governor may, as soon as possible after the presentation to him of the Bill for assent, return the Bill if it is not a Money Bill together with a message requesting that the House or Houses will reconsider the Bill or any specified provisions thereof and, in particular, will consider the desirability of introducing any such amendments as he may recommend in his message and, Assent to Bills. when a Bill is so returned, the House or Houses shall reconsider the Bill accordingly, and if the Bill is passed again by the House or Houses with or without amendment and presented to the Governor for assent, the Governor shall not withhold assent there from:

Provided further that the Governor shall not assent to, but shall reserve for the consideration of the President, any Bill which in the opinion of the Governor would, if it became law, so derogate from the powers of the High Court as to endanger the position which that Court is by this Constitution designed to fill.

### **Bills reserved for consideration**

201. When a Bill is reserved by a Governor for the consideration of the President, the President shall declare either that he assents to the Bill or that he withholds assent there from:

Provided that, where the Bill is not a Money Bill, the President may direct the Governor to return the Bill to the House or, as the case may be, the Houses of the Legislature of the State together with such a message as is mentioned in the first proviso to article 200 and, when a Bill is so returned, the House or Houses shall reconsider it accordingly within a period of six months from the date of receipt of such message and, if it is again passed by the House or Houses with or without amendment, it shall be presented again to the President for his consideration.

### ***Procedure in Financial Matters***

202. **Annual financial statement:** (1) The Governor shall in respect of every financial year cause to be laid before the House or Houses of the Legislature of the State a statement of the estimated receipts and expenditure of the State for that year, in this Part referred to as the "annual financial statement".



(2) The estimates of expenditure embodied in the annual financial statement shall show separately—

- (a) the sums required to meet expenditure described by this Constitution as expenditure charged upon the Consolidated Fund of the State; and
- (b) the sums required to meet other expenditure proposed to be made from the Consolidated Fund of the State;

and shall distinguish expenditure on revenue account from other expenditure.

(3) The following expenditure shall be expenditure charged on the Consolidated Fund of each State—

- (a) the emoluments and allowances of the Governor and other expenditure relating to his office;
- (b) the salaries and allowances of the Speaker and the Deputy Speaker of the Legislative Assembly and, in the case of a State having a Legislative Council, also of the Chairman and the Deputy Chairman of the Legislative Council;
- (c) debt charges for which the State is liable including interest, sinking fund charges and redemption charges, and other expenditure relating to the raising of loans and the service and redemption of debt;
- (d) expenditure in respect of the salaries and allowances of Judges of any High Court;
- (e) any sums required to satisfy any judgment, decree or award of any court or arbitral tribunal;
- (f) any other expenditure declared by this Constitution, or by the Legislature of the State by law, to be so charged.

203. **Procedure in Legislature with respect to estimates:** (1) So much of the estimates as relates to expenditure charged upon the Consolidated Fund of a State shall not be submitted to the vote of the Legislative Assembly, but nothing in this clause shall be construed as preventing the discussion in the Legislature of any of those estimates.

(2) So much of the said estimates as relates to other expenditure shall be submitted in the form of demands for grants to the Legislative Assembly, and the Legislative Assembly shall have power to assent, or to refuse to assent, to any demand, or to assent to any demand subject to a reduction of the amount specified therein.

(3) No demand for a grant shall be made except on the recommendation of the Governor.

204. **Appropriation Bills:** (1) As soon as may be after the grants under article 203 have been made by the Assembly, there shall be introduced a Bill to provide for the appropriation out of the Consolidated Fund of the State of all moneys required to meet—

- (a) the grants so made by the Assembly; and
- (b) the expenditure charged on the Consolidated Fund of the State but not exceeding in any case the amount shown in the statement previously laid before the House or Houses.

(2) No amendment shall be proposed to any such Bill in the House or either House of the Legislature of the State which will have the effect of varying the amount or altering the destination of any grant so made or of varying the amount of any expenditure charged on the Consolidated Fund of the State, and the decision of the person presiding as to whether an amendment is inadmissible under this clause shall be final.

(3) Subject to the provisions of articles 205 and 206, no money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of this article.

205. **Supplementary additional or excess grants:** (1) The Governor shall:-

- (a) if the amount authorized by any law made in accordance with the provisions of article 204 to be expended for a particular service for the current financial year is found to be insufficient for the purposes of that year or when a need has arisen during the current financial year for supplementary or additional expenditure upon some new service not contemplated in the annual financial statement for that year, or
- (b) if any money has been spent on any service during a financial year in excess of the amount granted for that service and for that year,

cause to be laid before the House or the Houses of the Legislature of the State another statement showing the estimated amount of that expenditure or cause to be presented to the Legislative Assembly of the State a demand for such excess, as the case may be.

(2) The provisions of articles 202, 203 and 204 shall have effect in relation to any such statement and expenditure or demand and also to any law to be made authorizing the appropriation of moneys out of the Consolidated Fund of the State to meet such expenditure or the grant in respect of such demand as they have effect in relation to the annual financial statement and the expenditure mentioned therein or to a demand for a grant and the law to be made for the authorization of appropriation of moneys out of the Consolidated Fund of the State to meet such expenditure or grant.

206. **Vote on Account, Votes of credit and exceptional grants:** (1) Notwithstanding anything in the foregoing provisions of this Chapter, the Legislative Assembly of a State shall have power—

- (a) to make any grant in advance in respect of the estimated expenditure for a part of any financial year pending the completion of the procedure prescribed in article 203 for the voting of such grant and the passing of the law in accordance with the provisions of article 204 in relation to that expenditure;
- (b) to make a grant for meeting an unexpected demand upon the resources of the State when on account of the magnitude or the indefinite character of the service the demand cannot be stated with the details ordinarily given in an annual financial statement;
- (c) to make an exceptional grant which forms no part of the current service of any financial year;

and the Legislature of the State shall have power to authorize by law the withdrawal of moneys from the Consolidated Fund of the State for the purposes for which the said grants are made.

(2) The provisions of articles 203 and 204 shall have effect in relation to the making of any grant under clause (1) and to any law to be made under that clause as they have effect in relation to the making of a grant with regard to any expenditure mentioned in the annual financial statement and the law to be made for the authorization of appropriation of moneys out of the Consolidated Fund of the State to meet such expenditure.

207. **Special Provisions as to financial Bills:** (1) A Bill or amendment making provision for any of the matters specified in sub-clauses (a) to (f) of clause (1) of article 199 shall not be introduced or moved except on the recommendation of the Governor, and a Bill making such provision shall not be introduced in a Legislative Council:

Provided that no recommendation shall be required under this clause for the moving of an amendment making provision for the reduction or abolition of any tax.

(2) A Bill or amendment shall not be deemed to make provision for any of the matters aforesaid by reason only that it provides for the imposition of fines or other pecuniary penalties, or for the demand or payment of fees for licences or fees for services rendered, or by reason that it provides for the imposition, abolition, remission, alteration or regulation of any tax by any local authority or body for local purposes.

(3) A Bill which, if enacted and brought into operation, would involve expenditure from the Consolidated Fund of a State shall not be passed by a House of the Legislature of the State unless the Governor has recommended to that House the consideration of the Bill.

### **Consolidated Funds and Public Accounts of India and of the States**

266. (1) Subject to the provisions of article 267 and to the provisions of this Chapter with respect to the assignment of the whole or part of the net proceeds of certain taxes and duties to States, all revenues received by the Government of India, all loans raised by that Government by the issue of treasury bills, loans or ways and means advances and all moneys received by that Government in repayment of loans shall form one consolidated fund to be entitled "the Consolidated Fund of India", and all revenues received by the Government of a State, all loans raised by that Government by the issue of treasury bills, loans or ways and means advances and all moneys received by that Government in repayment of loans shall form one consolidated fund to be entitled "the Consolidated Fund of the State".

(2) All other public moneys received by or on behalf of the Government of India or the Government of a State shall be credited to the public account of India or the public account of the State, as the case may be.

(3) No moneys out of the Consolidated Fund of India or the Consolidated Fund of a State shall be appropriated except in accordance with law and for the purposes and in the manner provided in this Constitution.

**267. Contingency Fund:** (1) Parliament may by law establish a Contingency Fund in the nature of an imprest to be entitled "the Contingency Fund of India" into which shall be paid from time to time such sums as may be determined by such law, and the said Fund shall be placed at the disposal of the President to enable advances to be made by him out of such Fund for the purposes of meeting unforeseen expenditure pending authorization of such expenditure by Parliament by law under article 115 or article 116.

(2) The Legislature of a State may by law establish a Contingency Fund in the nature of an imprest to be entitled "the Contingency Fund of the State" into which shall be paid from time to time such sums as may be determined by such law, and the said Fund shall be placed at the disposal of the Governor [x x x] of the State to enable advances to be made by him out of such Fund for the purposes of meeting unforeseen expenditure pending authorisation of such expenditure by the Legislature of the State by law under article 205 or article 206.

**283. Custody, etc., of Consolidated Fund, Contingency Funds and moneys credited to the public accounts:-** (1) The custody of the Consolidated Fund of India and the Contingency Fund of India, the payment of moneys into such Funds, the withdrawal of moneys therefrom, the custody of public moneys other than those credited to such Funds received by or on behalf of the Government of India, their payment into the public account of India and the withdrawal of moneys from such account and all other matters connected with or ancillary to matters aforesaid shall be regulated by law made by Parliament, and, until provision in that behalf is so made, shall be regulated by rules made by the President.

(2) The custody of the Consolidated Fund of a State and the Contingency Fund of a State, the payment of moneys into such Funds, the withdrawal of moneys therefrom, the custody of public moneys other than those credited to such Funds received by or on behalf of the Government of the State, their payment into the public account of the State and the withdrawal of moneys from such account and all other matters connected with or ancillary to matters aforesaid shall be regulated by law made by the Legislature of the State, and, until provision in that behalf is so made, shall be regulated by rules made by the Governor [x x x] of the State.

**293. Borrowing by States:** (1) Subject to the provisions of this article, the executive power of a State extends to borrowing within the territory of India upon the security of the Consolidated Fund of the State within such limits, if any, as may from time to time be fixed by the Legislature of such State by law and to the giving of guarantees within such limits, if any, as may be so fixed.

(2) The Government of India may, subject to such conditions as may be laid down by or under any law made by Parliament, make loans to any State or, so long as any limits fixed under article 292 are not exceeded, give guarantees in respect of loans raised by any State, and any sums required for the purpose of making such loans shall be charged on the Consolidated Fund of India.

(3) A State may not without the consent of the Government of India raise any loan if there is still outstanding any part of a loan which has been made to the State by the Government of India or by its predecessor Government, or in respect of which a guarantee has been given by the Government of India or by its predecessor Government.

(4) A consent under clause (3) may be granted subject to such conditions, if any, as the Government of India may think fit to impose.

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**PART - III**

APPENDICES

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## PART III - APPENDICES

### APPENDIX - I

*{See Paragraphs 3.5 and 13.4}*

*Standard Objects of Expenditure (Detailed Heads of Account)*

#### LIST OF NEW OBJECT HEADS

Code	Description
<b>010</b>	<b>Salaries</b>
011	Pay
012	Allowances
013	Dearness Allowance
014	Sumptuary Allowance
015	Interim Relief
016	House Rent Allowance
017	Medical Reimbursement
018	Encashment of Earned Leave
019	Leave Travel Concession
<b>020</b>	<b>Wages</b>
<b>030</b>	<b>Overtime Allowance</b>
<b>040</b>	<b>Pensionary Charges</b>
041	Pensions
042	Gratuities
<b>050</b>	<b>Rewards</b>
<b>110</b>	<b>Domestic Travel Expenses</b>
111	Travelling Allowance
112	Bus Warrants
113	T.A./D.A. to Non Official Members
114	Fixed Travelling Allowance
115	Conveyance Allowance
<b>120</b>	<b>Foreign Travel Expenses</b>
121	Foreign Travel Expenses
122	T.A./D.A. to Non Official Members
<b>130</b>	<b>Office Expenses</b>
131	Service Postage, Telegram and Telephone Charges
132	Other Office Expenses
133	Water and Electricity Charges
134	Hiring of Private Vehicles
<b>140</b>	<b>Rents, Rates and Taxes</b>
<b>150</b>	<b>Royalty</b>
<b>160</b>	<b>Publications</b>
<b>200</b>	<b>Other Administrative Expenses</b>
<b>210</b>	<b>Supplies and Materials</b>
211	Materials and Supplies
212	Drugs and Medicines
<b>220</b>	<b>Arms and Ammunition</b>

<b>Code</b>	<b>Description</b>
<b>230</b>	<b>Cost of Ration/Diet Charges</b>
<b>240</b>	<b>Petrol, Oil and Lubricants</b>
<b>250</b>	<b>Clothing, Tentage and Store</b>
<b>260</b>	<b>Advertisements, Sales and Publicity Expenses</b>
<b>270</b>	<b>Minor Works</b>
271	Other Expenditure
272	Maintenance
273	Workcharged Establishment
274	HTCC Charges
275	Buildings
278	Emergency Repairs
<b>280</b>	<b>Professional Services</b>
281	Pleaders fees
282	Payments to Home Guards
283	Payments to Anganwadi Workers
284	Other Payments
<b>300</b>	<b>Other contractual services</b>
<b>310</b>	<b>Grants-in-Aid</b>
311	Grants-in-Aid towards Salaries
312	Other Grants-in-Aid
313	Percapita Grants
314	Seignorage Grant
315	E.F.C Grants
316	Maintenance Grant
317	Exgratia Paymwnts (accidental death/compassionate appointment)
318	Obsequies Charges
319	Grants for creation of Capital Assets
<b>320</b>	<b>Contributions</b>
<b>330</b>	<b>Subsidies</b>
<b>340</b>	<b>Scholarships and Stipends</b>
<b>410</b>	<b>Secret Service Expenditure</b>
<b>420</b>	<b>Lumpsum Provision</b>
<b>430</b>	<b>Suspense</b>
431	Purchases- Dr.
432	Stock- Dr.
433	Miscellaneous P.W. Advances-Dr.
434	Work Shop Suspense-Dr.
<b>450</b>	<b>Interest</b>
<b>460</b>	<b>Share of Taxes/duties</b>
<b>500</b>	<b>Other charges</b>
501	Compensation
502	Transport facility
503	Other Expenditure
504	Cosmetic Charges
<b>510</b>	<b>Motor Vehicles</b>
511	Maintenance of Office Vehicles
512	Purchase of Motor Vehicles

<b>Code</b>	<b>Description</b>
<b>520</b>	<b>Machinery and Equipment</b>
521	Purchases
522	Tools and Plant
523	Deduct-Receipts & Recoveries Towards Maintenance
<b>530</b>	<b>Major Works</b>
531	Other Expenditure
532	Lands
533	Buildings
534	Workcharged Establishment
<b>540</b>	<b>Investments</b>
<b>550</b>	<b>Loans and advances</b>
<b>560</b>	<b>Repayment of Borrowings</b>
<b>600</b>	<b>Other capital expenditure</b>
<b>610</b>	<b>Depreciation</b>
<b>620</b>	<b>Reserves</b>
<b>630</b>	<b>Inter Account Transfers</b>
<b>640</b>	<b>Writes Off and Losses</b>
<b>700</b>	<b>Deduct - Recoveries</b>
701	Receipts and Recoveries on Capital Account
702	Receipts and Recoveries due to Tools and Plant
703	Suspense Credits
704	Purchases- Cr.
705	Stock- Cr.
706	Miscellaneous P.W. Advances-Cr.
707	Work Shop Suspense-Cr.
<b>800</b>	<b>User Charges</b>
801	User Charges - Other Expenditure
802	User Charges - Transport Facility
803	User Charges - Travelling Allowance
804	User Charges - Utility Payments
805	User Charges - Other Office Expenses
806	User Charges - Advertisements, Sales and Publicity Expenses
807	User Charges - Maintenance
808	User Charges - Other Payments
809	User Charges - Other Grants-in-Aid
810	User Charges - Other Administrative Expenses
811	User Charges - Materials and Supplies
812	User Charges - Petro, Oil and Lubricants
813	User Charges - Scholarships and Stipends
814	User Charges - Purchases

## **NOTES:-**

**010. SALARIES** – will include pay, allowances in all forms, of Personnel including honoraria and leave encashment except travel expenses (other than leave travel concession). This object classification will also be utilized for recording expenditure on emoluments and allowances of Heads of States and other high dignitaries including sumptuary allowance.

**020. WAGES** – will include wages of labourers and of staff at present paid out of contingencies

**040. PENSIONARY CHARGES** – will include donations to service funds and contributory provident funds in addition to payments of pensions and gratuity in all forms to Government servants, Members of Parliament, freedom fighters, etc. This charges however does not include social security expenditure such as old age pensions etc.

**050. REWARDS** – will include amount paid to Government servants only as per schemes, if any operative in Ministries/ Departments.

**110. DOMESTIC TRAVEL EXPENSES** – will cover all expenses on account of travel on duty in India including conveyance and fixed traveling allowance but excluding leave travel concessions which would be part of salaries. This will also include TA/DA to non-official members on account of travel in India.

**120. FOREIGN TRAVEL EXPENSES** – will cover all expenses on account of travel on duty outside India including deputation of Scientists abroad; This will also include the expenditure on TA/DA to non-official members going on tour abroad.

### **130. OFFICE EXPENSES** –

**1. Utility Payments:** will include postage, telephone, telegram, water and electricity charges.

**2. Office Expenses:** will include all contingent expenses for running an office such as furniture, purchase and maintenance of office machinery and equipment, liveries, hot and cold water charges (excluding wages of staff paid from contingencies) stationery, printing of forms. This will also includes "**Hiring of Private Vehicles**". However expenditure on purchase and maintenance of staff cars and other vehicles for office use will come under 510 Motor vehicles.

**140. RENTS, RATES AND TAXES** – will include payment of rent for hired buildings, municipal rates and taxes etc. It will also include lease charges for land.

**160. PUBLICATIONS** – will include expenditure on printing of office codes, manuals and other documents whether priced or unpriced but will exclude expenditure on printing of publicity material. This will also include discount to agents on sale of publications etc.

**200. OTHER ADMINISTRATIVE EXPENSES** – will include expenditure on departmental canteen hospitality/ entertainment expenses, gifts and expenditure on conducted tours, expenditure on Conferences/Seminar/Workshops etc., and expenditure on other training programmes.

**210. SUPPLIES AND MATERIALS** – will include expenditure on materials and supplies, stores and equipment, drugs and medicines etc.

**220. ARMS AND AMMUNITION** – will include expenditure on arms and ammunition of Police and other Para Military Establishment.

**230. COST OF RATION / DIET CHARGES** – will include expenditure on ration of Police and other Para Military Establishments, diet charges to patients in Hospitals and Dispensaries and hostel students.

**240. PETROL, OIL AND LUBRICANTS** – will include expenditure on Petrol, Oil and Lubricants of all Office and Functional Vehicles.

**250. CLOTHING AND TENTAGE** – will include expenditure on clothing and tentage of Police and Para Military Establishments.

**260. ADVERTISING AND PUBLICITY** – will include commission to agents for sale and printing of publicity materials. This would also include expenditure on exhibitions, fairs.

**270. MINOR WORKS** – will record expenditure on repairs and maintenance of works, machinery and equipment. This will also include expenditure on workcharged establishment.

**280. PROFESSIONAL SERVICES** – will include charges for legal services, consultancy fees, fees to staff artists, remuneration to the examiners, invigilators etc., for conducting examinations and all other types of remunerations. It will also include payments to Home Guards and Anganwadi Workers.

**300. OTHER CONTRACTURAL SERVICES** – will include expenditure on service or commitment charges and not include value of gifts received etc. and payments for contract appointment.

**310. GRANTS-IN-AID** - will include grants-in-aid salaries and other grants including statutory grants to be released to the local bodies and to all other institutions.

**320. CONTRIBUTIONS** – This will also include expenditure on membership of International bodies.

**330. SUBSIDIES** - will include all subsidies like rice subsidy, fertilizer subsidy, etc.

**500. OTHER CHARGES** – will include payment out of discretionary grants, other discounts, customs duty compensation, awards and prizes, reimbursement to RTC for providing transport facility to various categories of public etc. Any other expenditure which cannot be classified under any of these specified object heads will be debited to this head.

**510. MOTOR VEHICLES** – include purchase and maintenance of all transport vehicles used for both office and functional activities.

**520. MACHINERY AND EQUIPMENT** - will include machinery equipment, apparatus etc., other than those required for the running of an office and special tools and plants acquired for specific works.

**530. MAJOR WORKS** – will be classified with reference to financial limits as per classification of major works PWD CODE This will also include cost of acquisition of lands and structures (buildings) and workcharged establishment.

**550. LOANS AND ADVANCES** – will include all loans and advances granted to other Governments, Public Sector Enterprises, Undertakings and other Government bodies etc. but will exclude repayments of borrowings.

**630. INTER ACCOUNT TRANSFER** – will include transfer to and from reserve fund etc. Write back from capital to revenues.

**640. WRITE OFF / LOSSES** – will include write off of irrecoverable loans, losses will include trading losses.

**APPENDIX - II**  
*[See Paragraph 7.8J]*

*Detailed procedure/or distribution of establishment/tools and plant, etc., in respect of Common Public Works Establishments.*

**(A) Establishment:**

The 'Gross Expenditure' on the common establishments of P.W.D. - Roads and Buildings branch will be recorded under the Minor Head, "Direction and Administration" below "2059 Public Works". The Minor Head will have suitable sub-heads such as "Direction", "Designs", "Supervision", "Execution", "Architecture", "Stores Control" etc. from this "Gross Expenditure", the distribution of the charges will be in two stages as explained below :-

(a) The first stage of distribution will be in respect of the establishment charges relating to Capital Major Heads. The distribution of establishment charges from the omnibus P. W. Major Head to these heads will be calculated on a percentage basis, as per the existing principles in C.P.W.A. Code, the percentages being carefully determined by the Government in such a manner as to remain current for at least 3 years so as to avoid meticulous and frequent recalculations.

In respect of establishment charges relating to works done for other Governments, Local Funds, private parties etc., recoveries will be made on percentage basis to be determined by Government and credited to the Major Head- "0059 Public Works- Other Receipts" as revenue.

The debits for the proportionate charges on Establishment apportioned to the Capital Major Heads will be adjusted under the sub-head "Buildings" under the appropriate Programme Minor Heads, against a distinct detailed head (or Object Classification) "Establishment" to be opened for the purpose. The contra credit (minus debit) under "2059 Public Works" will be booked under a distinct sub-head "Deduct- Establishment Charges transferred on percentage basis to Capital Major Heads", below "Direction and Administration". Such adjustments may be done monthly in the Public Works Divisional accounts.

(b) The next stage of distribution of the establishment charges under "Direction and Administration" below '2059. Public Works' will be in respect of the works charged to the major heads "2216 Housing" and "3054 Roads and Bridges" only. Distribution of the charges in respect of works charged to other major heads in the revenue section is not necessary. For this purpose from the residuary expenditure under "Direction and Administration" at the end of the year, arrived at after the adjustment at (a) above is carried out, the amounts recovered during the year from other Governments, Local Bodies etc., on percentage basis for work done on their behalf and credited to Public Works as revenue will be notionally deducted to arrive at the net charges on Establishment relating to public works (original works Maintenance and Repairs) in the "Revenue Section". From this net amount, a pro-

rata distribution of the charges to '2216. Housing' and '3054 Roads and Bridges,' will be made according- to works outlay recorded under these major heads vis-a-vis the total revenue expenditure on Public Works (original works Maintenance and Repairs) in all major heads in the Revenue Section. The distributable amounts so calculated 'will be adjusted from 2059 ~ Public Works through a deduct sub-head "Deduct-Establishment Charges transferred Pro-rata to "Housing"/"Roads and Bridges", by per contra debit to "2216. Housing" - "Direction and Administration" and "3054. Roads and Bridges - Direction and Administration", respectively.

***(B) Tools and Plant :***

The procedure outlined above will be followed mutatis mutandis for distribution of 'Tools and Plant' charges also.



**APPENDIX - III**  
*(See paragraph 1.6)*  
**THE ANDHRA PRADESH CONTINGENCY FUND ACT, 1957**  
(ACT No. ix OF 1957)

Short title and commencement.  
Establishment of a Contingency Fund.  
Power to make rule  
Repeal  
Interpretation

[5<sup>th</sup> September, 1957]

*An Act to provide for the establishment of a Contingency Fund for the State of  
Andhra Pradesh*

Whereas clause (2) of article 267 of the Constitution provides that the Legislature of a State may, by law, establish a Contingency Fund in the nature of an imprest;

And whereas it is expedient to establish such a Contingency Fund for the State of Andhra Pradesh ;

Be it enacted in the Eighth Year of the Republic of India as follows:-

**1. Short title and commencement:-** (1) This Act may be called the Andhra Pradesh Contingency Fund Act, 1957.

(2) It shall come into force at once.

**2. Establishment of a Contingency Fund:-** (1) There shall be established for the State of Andhra Pradesh a Contingency Fund in the nature of an imprest called "the Contingency Fund of the State of Andhra Pradesh", and consisting of <sup>2</sup>[a sum of fifty crore of rupees] withdrawn from the Consolidated Fund of the State.

(2) Such Contingency Fund shall be at the disposal of the Governor of Andhra Pradesh and he shall have authority to make advances there from for the purpose of meeting any unforeseen expenditure, pending authorization of such expenditure by the State Legislature by law under article 205 or article 206 of the Constitution.

(3) As often as any such expenditure is authorized by law as aforesaid, the State Government shall recoup to the Contingency Fund as amount equal to the advance taken from such Fund to meet the expenditure.

<p>1. For Statement of Objects and Reasons, see Andhra Pradesh Gazette, Extraordinary, dated 13<sup>th</sup> April, 1957, Part IV-A, pages 64-65. 2. Substituted by Andhra Pradesh Contingency Fund (Amendment) Act, 1965 (Andhra Pradesh Act 1984. * See A.P. Gaz, R.S. Pt.I, dt. 20-4-1961, p.125.</p>
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**3. Power to make rules:-** The State Government may, by notification in the Andhra Pradesh Gazette, make rules for the purposes of carrying into effect the provisions of this Act.

**4. Repeal** – The Madras Contingency Fund Act, 1950 (Madras Act, XIV of 1950 and the Hyderabad Contingency Fund Act, 1952 (Hyderabad Act XLIII of 1952), are hereby repealed.

**5. Interpretation:-** The Andhra Pradesh General Clauses Act, 1891, (Act 1 of 1891) apply for the interpretation of this Act as it applies for the interpretation of an Andhra Act.

### **ANDHRA PRADESH CONTINGENCY FUND RULES, 1961 \***

*[G.O.Ms.No.122, Finance (B.G), 18<sup>th</sup> March 1961]*

In exercise of the powers conferred by section 3 of the Andhra Pradesh Contingency Fund Act, 1957 (Andhra Pradesh Act 9 of 1957), the Governor of Andhra Pradesh hereby makes the following rules.

#### **RULES**

1. These Rules may be called the Andhra Pradesh Contingency Fund Rules, 1961.

2. The Andhra Pradesh Contingency Fund shall be held on behalf of the Government of Andhra Pradesh by the Secretary to the Government of Andhra Pradesh, Finance Department.

3. No advance shall be made out of the Contingency Fund of the State except for the purpose of meeting unforeseen expenditure including expenditure on a new service not contemplated in the annual financial statement pending authorization of such expenditure is the State Legislature under appropriations made by Law.

4. No sanction shall be accorded in the course of a year to a scheme treated as "New Service" without obtaining the previous sanction of the Legislature by presenting a supplementary estimate for the amount required for expenditure on the scheme during the year. If, however, the scheme is so extremely urgent that its introduction cannot be delayed it may be sanctioned, the expenditure being met from an advance taken from the Andhra Pradesh Contingency Fund pending approval of the Legislature. In such cases, the order sanctioning the scheme shall specifically state that the expenditure which will be debited to the appropriate heads of account will be initially met by an advance from the Contingency Fund and that orders in this regard will be issued separately by the Finance Department. A copy of the order as soon as it is issued, shall be sent to the Finance Department with the following information for the purpose of sanctioning the required advance from the Contingency Fund.

(1) The circumstances in which the provisions could not be included in the Annual Budget.

(2) the reasons for which the expenditure cannot be postponed till the voting of the supplementary grant.

(3) the full cost of the proposals for the remaining part of the financial year.

(4) the amount required to be advanced out of the Contingency Fund.

(5) The grant or appropriation to which the expenditure is debitable also indicating the classification of the expenditure in the same detail as it would have been shown if it had been met out of the Consolidated Fund. No expenditure should be incurred until the advance is sanctioned from the Contingency Fund by Government.

5. All orders sanctioning advance from the Contingency Fund shall issue as orders of the Governor. The order sanctioning the advance shall specify the amount, the grant or appropriation to which it relates the number and date of the order sanctioning the scheme, and brief description of the scheme and a copy there is shall be forwarded by the finance Department to the Accountant-General, Andhra Pradesh, with copy to the Administrative Department.

*Note:-* (1) When an advance is sanctioned from the Contingency Fund, the amount shall continue to remain physically as apart of that fund and shall not go out of it till it is actually withdrawn and spent on the specific purpose for which the advance is sanctioned.

*Note:-* (2) The orders authorizing an advance from the Contingency Fund, unless it is cancelled as per rule 10 during the interval, shall not lapse with the close of the year, but shall lapse as soon as the Supplementary appropriation Act, incorporating the Grants Authorized in the Legislature is passed and becomes Law.

6. Actual expenditure incurred against advance from the Contingency Fund shall be accorded in the account relating to the Contingency Fund in the same details as it would have been shown if it had been paid out of the Consolidated Fund of the State. The instructions issued by the Accountant General regarding the accounting procedure for expenditure met out of advances from the Contingency Fund of Andhra Pradesh should be strictly followed by all Heads of Departments and other controlling officers.

7. (1) Supplementary estimates for all expenditure so financed shall be presented to the state Legislature at the first, second or subsequent session, as may be practicable, summoned to meet immediately after the advance is sanctioned.

<sup>1</sup>[Unless such advance has been resumed to the Contingency Fund in accordance with the provisions of sub-rule(2)].

(2) As soon as the State Legislature has authorized the additional expenditure by including it in any supplementary Appropriation Act, the advance or advances made from the Contingency Fund, whether for meeting the expenditure incurred before the Supplementary Estimates were presented to the State Legislature or after they were so presented, shall be resumed to the Fund to the full extent of the appropriation made in the Act.

*Note:-* (1) While presenting to the State Legislature estimates for expenditure financed from the Contingency Fund, a note to the following effect shall be appended to such estimates.

“A sum of Rs. . . . . has been advanced from the Contingency Fund and equivalent amount is required to enable repayment to be made to the Fund”

*Note:-* (2) If the expenditure on a “New Service” not contemplated in the Annual Financial Statement can be met wholly or partly from savings within the grant, the note to be appended to the estimate shall be in the following form;

The expenditure is on a “New Service,” A sum of Rs. . . . . has been advanced from the Contingency Fund in . . . . . and an equivalent amount is required to enable repayment to be made to that Fund.

“The amount/a part of that amount viz., Rs. . . . . can be found by re-appropriation of savings within the grant and therefore a vote is required for a token sum of Rs.1000 only the balance of Rs. . . . . only”.

8. In case in which it becomes absolutely necessary to sanction advances from the Contingency Fund because of the emergency nature of such charges, although there is no possibility of advances being recouped within the same financial year, it shall be necessary to make provision in the next financial year for the amount to be recouped to the Contingency Fund in respect of expenditure for which supplementary funds were not provided during the course of the year itself. In all such cases provision shall be made against the appropriate minor head for the service in question under the Major head concerned under which the expenditure was incurred in the previous year from the contingency fund. The fact that the provision represents recoupment of advance sanctioned during the preceding financial year shall be fully explained in the explanatory note pertaining to the grant concerned.

9. The administrative Departments of the Secretariat shall be responsible for sending them to the Finance Department the proposal for supplementary estimates for recoupment of advance from the Contingency Fund.

10. If, in any case, after the orders sanctioning an advance from the Contingency Fund have been issued in accordance with rule 5 and before action is taken in accordance with rules 8 and 7 it is found that the advance sanctioned will remain wholly or partly utilized as application shall be made to the sanctioning authority for canceling or modifying the sanction as the case may be.

11. A copy of the order resuming the advance which shall give a reference to the number and date of the order in which the original advance was made shall be forwarded by the Finance Department to the Accountant General, Andhra Pradesh at Hyderabad with copy to the Administrative Department concerned.

12. An account of the transactions of the Contingency Fund shall be maintained by the Finance Department in Form 'A' annexed to these rules.

**ANNEXURE**  
**FORM 'A'**

*Andhra Pradesh Contingency Fund: Total amount in the Fund Rupees Fifty Crores*

G.O.No. and date in which the scheme was sanctioned by the Administrative Department of the Secretariat	Brief Description of the Scheme	G.O.No. and date in which advance was sanctioned by the Finance Department
(1)	(2)	(3)

Amount of Advance sanctioned	Reference to the appropriation Act or the order in which the Supplementary Grant was sanctioned or the order in which the advance sanctioned was cancelled	Balance in the Fund after each transaction
(4)	(5)	(6)

## **APPENDIX – IV**

*[See Paragraph 17.3.6]*

### *Accounting Procedure for expenditure met out of advances from the Contingency Fund*

When additional funds for expenditure financed from the Contingency Fund are provided by the Legislature and the necessary Supplementary Appropriation Acts are passed, the entire expenditure booked under M.H. 8000 Contingency Fund will have to be transferred to the appropriate heads under Consolidated Fund by minus debit under the various heads under M.H. 8000 Contingency Fund. This transfer would be made in the Accountant-Generals' Office in all cases other than those relating to the Public Works and Forest Departments in respect of which, necessary transfers should be made by the respective Officers rendering accounts to that office in the manner indicated above.

## APPENDIX - V

(See paragraph 10.6.5)

(Annexure-I of G.O.M.sNo.43, Finance (W&M) Department, Dated 22.4.2000)

### CATEGORY – A Non-Lapsable Deposit Account

#### 8338 DEPOSITS OF LOCAL FUNDS

M.H.104 Deposits of Other Autonomous Bodies

S.H.(01) Deposits of Ziita Praja Parishads out of Provident Fund contribution

#### 8342 OTHER DEPOSITS M.H.120 Miscellaneous deposits

S.H.(01) Deposits of Tirumala Tirupathi Devasthanam

S.H.(02) Compulsory Saving deposits

S.H.(03) Security deposits from Consumers' Electricity schemes

S.H.(04) Deposits of Charitable Trust

S.H.(05) Thrift Fund cum Savings and Security Schemes for Weavers

S.H.(06) Department of Employees Co-operative

S.H.(07) Hand 100m Weavers Thrift

#### 8443 CIVIL DEPOSITS M.H.104 Civil Court deposits

M.H.116 Deposits under various central and State Acts

S.H.(08) Deposits or Under Consumer Protection Act 1986

M.H.123 Deposits of Educational Institutions

M.H.125 Unclaimed Savings Bank Deposits

M.H.126 Unclaimed Deposits in other Provident Funds

S.H.(01) Contributory Provident Fund

S.H.(02) Contributory Savings Scheme

S.H.(03) Miscellaneous Provident Fund

M. H.127 Deposits of Local Bodies for meeting claims of employees/pensioners

M.H.800 Other Deposits

S.H.(02) C.M. Relief Fund

#### 8448 DEPOSITS OF LOCAL FUNDS

M.H.102 Municipal Funds

S.H.(03) Municipal General Fund

M.H.109 Panchayat Funds

S.H.(02) Mandala Praja Parishad Funds

001 General Funds

S.H.(03) Zilla Praja Parishad Funds

001 General Funds

006 Z.P.P. Loan Funds

M.H.120 Other Funds

S.H.(02) Market Committee Funds

S.H.(03) Library Funds, Equalisation Fund

#### 8449 Other Deposits

M.H.103 Subversions from Central Road Fund

M.H.120 Miscellaneous Deposits

S.H.(01) C.M. Cyclone Relief Fund

## **CATEGORY – B Lapsable Deposits as per the codal provisions**

### 8342 OTHER DEPOSITS

M.H.103 Deposits Government Companies Corporation etc.  
S.H.(01) Central Agriculture Development Bank

### 8443 CIVIL DEPOSITS

M.H.101 Revenue Deposits  
M.H.102 Customs and Opium Deposits  
M.H.103 Security Deposits  
M.H.105 Criminal Courts deposits  
M.H.107 Trust Interest Funds  
M.H.108 Public Works Deposits  
M.H.110 Deposits of Police Funds  
M.H.115 Deposits received by Govt. Commercial undertakings  
M.H.116 Deposits under various central and State Acts  
S.H.(01) Deposits under Labour Act  
S.H.(02) Deposits under the Payment of Wages Act 1936  
S.H.(03) Court of Commissioner for Workmen Compensations  
S.H.(04) Industrial Tribunal  
S.H.(05) Deposits of Author Funds  
S.H.(06) Deposits of Labour Court  
S.H.(07) Electricians & Engineering Tribunal  
M.H.117 Deposit" for work done for Public bodies or Private Individuals  
M.H.121 Deposits in connection with Elections  
S.H.(01) Deposits made by candidates for Legislature  
S.H.(02) Deposits made by the candidates for Parliament  
S.H.(03) Deposits made by the ca.."1did'ites for Elections Petitions S.H.(04) Deposits Made by Candidates for President and Vice President

### 8448 DEPOSITS OF LOCAL FUNDS

M.H.101 District Funds  
M.H.102 Municipal Funds  
S.H.(01) Municipal loan fund  
S.H.(06) Municipal Corporation Fund  
S.H.(13) Urban poverty alleviation fund  
S.H.(14) Assistance to State Urban Development Agency  
M.H.110 Education Funds  
S.H.(11) Deposits of A.P. Open University  
S.H.(12) Deposits of Sri Pachnavathi Mahila Vidyalayam  
SH.(15) A.P. Sports Council  
S.H.(16) Deposits of Os mania University  
S.H.(11) Deposits of Andhra University  
S.H.C18) Deposits of Sri Venkateswara University  
S.H.(19) Deposits of Kakatiya University  
S.H.(20) Deposits of NagaljuR8 University  
S.H.(21) Deposits of Krishsna Devaraya University



S.H.(22) Telugu University .  
 S.H.(23) Deposits of University of Health Sciences  
 S.H.(26) Agricultural University  
 S.H.(28) Deposits of Regional Engineering College, Warangal  
 S.H.(37) Sri Venkateswara Institute of Medical Sciences  
 S.H.(38) Deposits of A.P. College Service Commission  
 S.H.(41) Deposits of Dakshina Bharata Dravida Viswa Vidyalyaya  
 M.H.120 Other Funds  
 S.H.(06) Paigh and Court of Ward Fund  
 S.H.(11) Deposits of Hyderabad Metropolitan Water, supply & Sewerage Board  
 S.H.(12) Deposits of District Rural Development Agency  
 S.H.(16) Equilisation Funds  
 S.H.(23) Deposits of M.P. Local Area Development Scheme

#### 8449 Other Deposits

M.H.105 Deposits of Market Loans  
 S.H.(01) 53/4% of Andhra Pradesh State Development Loan 1980  
 S.H.(02) 11% Andhra Pradesh State Development Loan 2002  
 S.H.(03) 11.50% Andhra Pradesh State Development Loan 2008  
 S.H.(05) 12.50% Andhra Pradesh State Development Loan 2004  
 S.H.(06) 14% Andhra Pradesh State Development Loan 2005  
 S.H.(07) 13.85% Andhra Pradesh State Development Loan, 2006  
 S.H.(08) 13.75% Andhra Pradesh State Development Loan, 2007  
 S.H.(09) 12.50% Andhra Pradesh State Development Loan, 2008  
 S.H.(10) 12.50% Andhra Pradesh State Development Loan, 2008  
 S.H.(11) 12.50% Andhra Pradesh State Development Loan, 2009  
 M.H.111 Andhra Pradesh State Development Loan, 2002  
 M.H.120 Miscellaneous Deposits  
 S.H.(01) C.M. Cyclone Relief Fund  
 S.H.(02) Director of Distilleries & Bewarages Krishna, Godavari Delta Drainage Cess  
 S.H.(03) Deposits Account of the Contribution made by the Municipalities for the  
 Common Good Fund  
 S.H.(04) Deposits of grants made by National Co-operative Development Corporation  
 and Warehousing Board  
     001 Co-operations  
     002 Fisherman's Corporation  
     003 Handloom Weavers Co-operative Society  
     004 A.P. Tribal Welfare  
     002 AP. State Council for Higher Education  
     003 Elections & Engineering Tribunal  
 S.H.(05) Grants from tile UNICEF  
 S.H.(06) Grants from the Indian Dairy Corporation  
 S.H.(07) Deposits Account of the grants made by I.C.A.R.  
 S.H.(08) Deposits on Account of the grants made by the Indian Central Oil Seeds  
 Committee  
 S.H.(10) Deposits of Advanced payment by Tamilnadu Government for the water  
 supply Scheme for Srisailam to Madras City

- S.H.(11) Department Account of Advances for G.O.I. in connection with Demonetization of Osmania Sicca
- S.H.(57) Deposits of A.P.S.R.T.C.
- S.H.(82) Private Donation & Contributions
- S.H.(83) Grants from Central Govt. for Food Production Drive Scheme
- S.H.(87) Deposit Account of Grants from Central Government for Development of Handloom Industries
- S.H.(89) Deposits from Government of India towards land acquisition of Establishment of Export processing Zone at Vizag.

**CATEGORY – C Lapsable Deposits as per Government orders.**

8342 OTIHER DEPOSITS

- M.H.103 Deposit3 Government Companies corporation etc.
- S.H.(01) Deposits of Andhra Pradesh Agro Industries Corporation Limited
- S.H.(02) Andhra Pradesh Industrial Infrastructural Corporation Limited
- S.H.(03) Deposits of Hyderabad Allwyn Ltd.
- S.H.(04) Deposits of AP.S.C. Finance Corporation
- S.H.(08) A.P. Scooters Limited
- S.H.(06) AP. Film Development Corporation
- S.H.(08) Handloom Industry

8443 CIVIL DEPOSITS

- M.H.106 Personal Deposits
- M.H.109 Forest Deposits
- M.H.111 Other Departmental Deposits
- S.H.(01) Deposits of Weights and Measures
- S.H.(02) A.P. Cinema
- M.H. 113 Deposits for purchases, etc., in abroad
- S.H.(01) Miscellaneous Deposits
- M.H.118 Deposits of Fees received by Government Servants for work done for Private Bodies
- M.H.124 Un-claimed Deposits in the General Provident Fund
- M.H.800 Other Deposits
- S.H.(01) Deposits from A.P. Housing Corporation
- S.H.(03) Miscellaneous Deposits.

- S.H.(08) Regional Mechanical Work Shop Deposits
  - 001 PW Workshops & Stores, Hyderabad
  - 002 Regional Workshops & Mechanical Division, Hyderabad
  - 003 PW Workshops & Stores, Sitanagaram
  - 006 P.W workshop Dhavaleswaram (under Chief Engineer, Major Irrigation)

8448 DEPOSITS OF LOCAL FUNDS

- M.H.102 Municipal Funds
- S.H.(02) Municipal Slum Clearance Scheme
- S.H.(04) Secondary Education Fund
- S.H.(05) Elementary Education Fund

S.H.(07) Environmental Scheme  
 S.H.(12) NRY Funds  
 S.H.(13) Jawaharlal Nehru Technological University  
 S.H.(14) Telugu Vignana Peetham  
 M.B.107 State Electricity Board Working Funds  
 M.H.108 State Housing Bodies Funds  
 M.H.109 Panchayat Funds  
 S.H.(01) Village Panchayat Funds  
 S.H.(02) Mandala Praja Parishad Funds  
     002 Education Funds  
     003 Women & Child Welfare Fund  
     004 Primary Health Centres  
     005 Special Development Programme Fund  
     006 M.G, Panchayat  
     007 Special Rural Road Maintenance  
 010 Grants to Local Bodies (TFC)  
 S.H.(03) Zilla Praja Parishad Funds  
     002 Education Funds  
     003 Engineering Fund for Rings Division  
     004 Engineering Fund for Rural Employment Programme  
     005 Rural water supply sCheme' 007 Mandala Gram Panchayati Funds  
     008 Engineering Fund for Maintenance of Cyclone Shelters  
     009 Special Rural Road Maintenance  
 010 Rural Sanitation Programme  
     011 Grants to Local Bodies (TFC)  
     012 Minor Irrigation  
     013 Rural Water Supply  
 S.H.(04) Mandal Gram Panchayat for Mandal Praja Parishad  
     001 Funds to Roads  
     002 Education Funds .  
     003 Engineering Fund for Rings Division  
     007 Grants to Local Bodies (TFC) .  
     008 Will10r Irrigation  
  
 M.H.110 Education Funds  
 S.H.(01) Elementary Education  
 S.H.(24) Deposits of AP. Social Welfare Residential Education Institution Society  
 S.H.(25) Deposits of AP .Bala1a Academy  
 S.H.(27) Deposits of Commissionarate of Higher Education  
 S.H.(29) Deposits of Sports Authority  
 S.H.(30) Deposits of AP. Study Circle  
 S.H.(31) Deposits of A.P, State Council of Higher Education  
 S.H.(32) Deposits of Urdu Academy  
 S.H.(33) Deposits of Institute of Professional studies  
 S.H.(34) AP. Open School Deposits  
 S.H.(35) Deposits of Sakashrata Samithi  
 S.H.(36) Department of AP. Sports School

M.H.111 Medical and Charitable Fund  
 S.H.(01) District Population Stabilation Fund  
 M.H.120 Other Funds  
 S.H.(01) Visakhaptnam Town Planning  
 S.H.(04) Central Fund of Executive Officer of Panchayat  
 S.H.(05) Deposits of Andhra Pradesh Wakf Board  
 S.H.(07) SC & ST HB Society  
 S.H.(08) Deposits of Integrated Tribal Development Agencies  
     001 General Funds  
     002 Engineering Funds  
 S.H.(09) Deposits Dist. Plamring Board  
 S-H.(10) Deposits of A.P. State Board for Prevention and Control of Water Pollution  
 S.H.(13) Deposits of Urhan Development Authorities  
 S.H.(14) Other Deposits  
 S.H.(15) Co-op. Credit Societies  
 S.H.(17) Deposits of AP. Social Welfare Fund  
 S.H.(18) Quli Outub Shaw Urban Development Authority  
 S.H.(19) Deposits of AP Social Welfare Fund  
 S.H.(20) Zilla Abhivrudhi Sameeksha Mandal  
 S.H.(21) Society for Conservation of energy in AP.  
 S.H.(12) Deposits of Decentralisation of Planning  
 S.H.(24) Prajalavaddaku Palana  
 S.H.(25) Shramadhanarn Fund  
 S.H.(26) India Population Project  
 S.H.(27) Janma Bhoomi  
     000 Janma Bhoomi  
     001 Minor Irrigation  
     005 Roads, Buildings  
     006 District Primary Education Project  
     007 Janma Bhoomi Funds  
     008 National Slum Development Programme (NSDP)  
     010 Nehru Rojgar Yojana(NRY)  
     011 Environmental Improvement of Urban Slums (ELUS)  
     012 Urban Basic Services for Poor (NBSP)  
     013 Urban Water Supply  
 S.H.(28) Janma Bhoomi  
  
 8449 Other Deposits  
 M.H.120 Miscellaneous Deposits  
 S.H.(09) Deposits for Payment honorarium to the enumerators connected with census  
     001 Deposits for Payment honorarium to the enumerators connected with  
         1981 census  
     002 Deposits for Payment honorarium to the enumerators connected with  
         1991census  
 S.H.(12) Control of Water Pollution  
 S.H.(13) Deposits of A.P. State Irrigation Development Corporation Ltd.,  
 S.H.(14) Deposits of A.P. State SC's Cooperative Finance Corporation Ltd.,  
     002 Engineering Funds

S.H.(15) Deposits of AP. Forest Development Corporation Ltd.  
S.H.(16) Deposits of AP. State Film Development Corporation Ltd.  
S.H.(11) Deposits of AP. Industrial Infrastructure Corporation Ltd.  
S.H.(18) Deposits of A.P. State Finance Corporation Ltd.  
S.H.(19) Deposits of AP. Backward Classes Cooperative Finance Corporation  
S.H.(20) Deposits of A.P. State Co-op. Bank Ltd.  
S.H.(21) Deposits of Institute of Public Enterprises.  
S.H.(22) Deposits of NCD CAP  
S.H.(23) Deposits of Nizams Institute of Medical Sciences  
S.H.(24) Deposits of AP. Scooters Ltd.  
S.H.(25) Deposits of AP. Wearhousing Corporation  
S.H.(26) Deposits of A.P. State Meat and Poultry Development Corporation  
S.H.(27) Deposits of AP. Schedule Tribes Coop. Finance Corporation (TRICOR)  
S.H.(28) Deposits of A P. Vikalangula Co-operative Corporation  
S.H.(29) Deposits of Girijana Co-op. corporation Ltd.  
S.H.(30) Deposits of Girijana Coffee Development Corporation Ltd.  
S.H.(31) Deposits of AP. Washernen Co-op. Societies Federation Ltd.  
S.H.(32) Deposits of A.P. Women's Co-op. Finance Corporation Ltd.  
S.H.(33) Deposits of A.P. Electronics Development Corporation  
S.H.(34) Deposits of Leather Industries Development Corporation of A.P. Ltd  
S.H.(35) Deposits of A.P. Travel and Tourism Development Corporation Ltd.  
S.H.(36) Deposits of Hyderabad Allwyn Ltd.  
S.H.(37) Deposits of Godavari Fertilizers and Chemicals Ltd  
S.H.(38) Deposits of A.P. Minorities Finance Corporation Ltd.  
S.H.(39) Deposits of AP. Small Scale Industries Development Corporation Ltd.  
S.H.(40) Deposits of A.P. handicrafts Development Corporation Ltd.  
S.H.(41) Deposits of A.P. Khadi & Village Industries Board  
S.H.(42) Deposits of Republic Forge Co. Ltd.  
S.H.(43) Deposits of AP. Fisheries Corporation Ltd.  
S.H.(44) Deposits of A.P. State Federation of Co-operative Spinning Mills Ltd., Hyd.  
S.H.(45) Deposits of Telugu Samacharam  
S.H.(46) Deposits of AP. State Textiles Development Corporation  
S.H.(47) Deposits of Nizam Sugar Factor  
S.H.(48) Deposits of A.P. State Police Housing Corporation  
S.H.(49) Deposits of A.P. Breweries Corporation  
S.H.(50) Deposits of AP. Industrial Development Corporation Ltd.  
S.H.(51) Deposits of A.P. School Health Project  
S.H.(52) Deposits of A.P. State Federation of Co-op. Spinning Mills Ltd.  
S.H.(53) Deposits of AP. State Civil Supplies Corporation Ltd.  
S.H.(54) Deposits of AP. State Essential Commodities Corporation Ltd.  
S.H.(55) Deposits of Polulation Cell (ILO)  
S.H.(56) Deposits of A.P. Technology Services Ltd.  
S.H.(58) Deposits of AP.D.D.C. Federation Ltd.  
S.H.(59) Deposits of AP. State Handloom Weavers Co-operative Society Ltd (APCO)  
S.H.(60) Deposits of AP. Vydhya Vidhana Parishad  
S.H.(61) Deposits of Agricultural Co-operative Oil Seeds Growers Federation Ltd.  
S.H.(62) Deposits of AP. State Co-operative Fisheries Federation  
S.H.(63) Deposits of AP. Seeds Development Corporation Ltd.

- S.H.(64) Deposits Of A.P. Federation of Sericulturists and Silk Weavers Co-operative Society Ltd.
- S.H.(65) AP State Co-op. Rural Irrigation Corporation Ltd.
- S.H.(66) Deposits of AP. State Co-operative Consumer Federation (FEDCON)
- S.H.(67) Deposits of AP. State Trading Corporation Limited
- S.H.(68) Deposits of AP. Yogadhyayana Parished, Hyderabad
- S.H.(69) Deposits of AP. Mining Corporation Limited
- S.H.(70) Deposits of A.P. State Non-Resident Indian Investment Corporation
- S.H.(71) Deposits of AP. Medical, Housing and Infrastructure Development Corporation Ltd.
- S.H.(72) Deposits of AP. Science Centre
- S.H.(73) Deposits of SETWIN
- S.H.(74) Deposits of AP. State Council of Sciences and Technology
- S.H.(75) Deposits of Fish Farmers Development Agencies
- S.H.(76) Deposits of AP. Foods
- S.H.(77) Deposits of Societies of Training and Employment Promotion (STEP)
- S.H.(78) AP. Social Welfare Educational Institutions
- S.H.(79) Lepakshi Handi Crafts Emporium
- S.H.(80) Deposits to AP. Nayee Brahmin Co-operative Society Ltd.,
- S.H.(81) Hyderabad District S.C. Corporation
- S.H.(84) S.C, B.C, Co-op. Society
- S.H.(85) Grants made by Central Central Gosamvardhana
- S.H.(86) Agricultural Development Agency
- S.H.(88) Society for Conservator of Energy
- S.H.(90) Deposits of AP. Urban Development and Housing Corporation
- S.H.(91) Deposits from NSF Bobilli, Seethanagaram Acquisition transfer of Sugar Units Act. 1986
- S.H.(90) Hyderabad District S.C. Corporation
- S.H.(92) Horticulture Development Agency
- S.H.(93) Development of Minera1 Resources and Technology Upgradation Fund
- S.H.(94) M.N.J. Institute of Oncology and Regional Cancer Centre, Hyderabad
- S.H.(93) I.T.I Mallepally
- S.H.(95) Tribal Welfare
- S.H.(95) Deposits of Miscellaneous
- S.H.(96) A.P. Taddy Tappers Co-operative Society
- S.H.(97) State Institute of Health and Family Welfare
- S.H.(98) Deposits of A.P. Urban Finance Infrastructure Development Corporation
- S.H.(99) Other Deposits

#### 8550 Civil Advances

- M.H.101 Forest Advances
- M.H.102 Revenue Advances
- S.H.(01) Advances for Survey Operations
- M.H.103 Other Departmental Advances
- S.H.(01) Advances to Land Acquisition Officer
- S.H.(02) Other Advances
- S.H.(04) Advances for purchases of books
- S.H.(05) P.W. Advances

**Annexure - II(a)** of G.O.Ms.No.43, Finance (W&M) Department, dated 22.4.2000

**STATEMENT – I**  
**DETAILS OF CLOSING BALANCES AS ON 31-3-1999 IN DEPOSIT. ACCOUNT**  
**(SCHEME WISE)**

1. Name of Deposit Administrator

2. P.D. Account No.

3. Closing Balance in Deposit Account as on 31-03-1999

4. Head of Account      Major Head       Sub-Major Head   
                                  Minor Head       Group Sub-Head   
                                  Sub-Head

5. G.O.Ms/Rt./Letter No. and Date in which Deposit is opened

6. Name of the Department to which the scheme belongs

Name of the Scheme	G.O.Ms./Rt./Letter No. and Date	Balance Left Rs.
(1)	(2)	(3)

**STATEMENT – II**  
**DETAILS OF RECEIPT AND WITH DRAWAL AFTER 04.04.1999 to**  
**31.03.2000 (SCHEME WISE)**

Name of the Scheme	G.O.Ms./Rt./ Letter No. and Date	Amount Deposited in P.D Account vide Col.2 (Rs.)	Amount Withdrawn (Rs.)	Cheque No. and Date in respect of Col.4	Balance Left (Rs.) (3 – 4)
1	2	3	4	5	6

Certified that the above information is correct

DEPOSIT ADMINISTRATOR

Note:- Statement II will be continued for Receipts & Withdrawals (scheme wise) for the financial year 2000-01 also.

**Annexure II (b)** of G.O.Ms.No.43, Finance (W&M) Department, dated 22.4.2000

**C E R T I F I C A T E**

Certified that the \_\_\_\_\_ Scheme sanctioned in G.O. \_\_\_\_\_ dated: \_\_\_\_\_ released Rs. \_\_\_\_\_ into the P.D. A/c. out of which Rs. \_\_\_\_\_ have already been withdrawn and spent having a balance of Rs. \_\_\_\_\_ on \_\_\_\_\_

Certified that no other cheque has been presented for withdrawal/ the following other cheque/cheques have been presented for withdrawal and are pending clearance with amounts indicated against each:-

<u>Cheque No. &amp; Date</u>	<u>Amount</u>
1.	
2.	
3.	
4.	

Certified that the amount now proposed to be withdrawn in the cheque presented (Ch. No. \_\_\_\_\_, dated \_\_\_\_\_ Rs. \_\_\_\_\_) (in \_\_\_\_\_ words \_\_\_\_\_ figures \_\_\_\_\_ rupees \_\_\_\_\_ only) sanctioned under G.O.No.\_\_\_\_\_, dated \_\_\_\_\_ pertains to the releases made during, 1999-2000 and is meant only for the scheme i.e. \_\_\_\_\_ sanctioned in the G.O stated above. Once cleared, this will have a balance of Rs.\_\_\_\_\_ under the scheme.

SIGNATURE"



## APPENDIX – VI

{*Andhra Pradesh Fiscal Responsibility and Budget Management (APFRBM) Act. 2005*}

**The following Act of the Andhra Pradesh Legislative Assembly received the assent of the Governor on the 25th October, 2005 and the said assent is hereby first published on the 27th October, 2005 in the Andhra Pradesh Gazette for general information:-**

### **ACT No. 34 OF 2005**

AN ACT TO PROVIDE FOR THE RESPONSIBILITY OF THE STATE GOVERNMENT TO ENSURE PRUDENCE IN FISCAL MANAGEMENT AND FISCAL STABILITY BY PROGRESSIVE ELIMINATION OF REVENUE DEFICIT, REDUCTION IN FISCAL DEFICIT, PRUDENT DEBT MANAGEMENT CONSISTENT WITH FISCAL SUSTAINABILITY, GREATER TRANSPARENCY IN FISCAL OPERATIONS OF THE GOVERNMENT AND CONDUCT OF FISCAL POLICY IN A MEDIUM TERM FRAMEWORK AND MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

Be it enacted by the Legislative Assembly of the State of Andhra Pradesh in the Fifty - sixth Year of the Republic of India as follows:-

- Short Title and Commencement* 1. (1) This Act may be called the Andhra Pradesh Fiscal Responsibility and Budget Management Act, 2005.  
(2) It shall be deemed to have come into force with effect on and from the 3rd June, 2005.
- Definitions* 2. In this Act, unless the context otherwise requires-
- (a) " budget" means the annual financial statement laid before the House or Houses of the State Legislature under Article 202 of the Constitution;
  - (b) "current year" means the financial year preceding the ensuing year;
  - (c) "ensuing year" means the financial year for which the budget is being presented;
  - (d) "financial year" means the year beginning on the 1<sup>st</sup> April and ending on 31<sup>st</sup> March next following;
  - (e) GSDP means Gross State Domestic Product at current market prices.
  - (f) "fiscal deficit" is the excess of aggregate disbursements (net of debt repayments) over revenue receipts, recovery of loans and non-debt capital receipts;
  - (g) "fiscal indicators" are such indicators as may be prescribed for evaluation of the fiscal position of the State Government;

- (h) "fiscal targets" are the numerical ceilings and proportions to total revenue receipts (TRR) or GSDP for the fiscal indicators;
- (i) "prescribed" means prescribed by the rules made under this Act;
- (j) "previous year" means the year preceding the current year;
- (k) "revenue deficit" means the difference between revenue expenditure and total revenue receipts (TRR);

**Explanation:** 'Total revenue receipts' (TRR) includes State's own revenue receipts (both tax and non-tax) and current transfers from the Centre (comprising grants and State's share of Central taxes).

(l) "total liabilities" means the liabilities under the Consolidated Fund of the State and the Public Account of the State and shall also include borrowings by the public sector undertakings and the special purpose vehicles and other equivalent instruments including guarantees where the principal and/ or interest are to be serviced out of the State budgets.

*Fiscal Management 3. Objectives*

The State Government shall;-

- (a) take appropriate measures to eliminate the revenue deficit and thereafter build up adequate revenue surplus and contain the fiscal deficit at a sustainable level, and utilize such surplus for discharging the liabilities in excess of the assets or for funding capital expenditure;
- (b) pursue policies to raise non-tax revenue with due regard to cost recovery and equity; and
- (c) lay down norms for prioritisation of capital expenditure, and pursue expenditure policies that would provide impetus for economic growth, poverty reduction and improvement in human welfare.

*Fiscal Management Principles*

- 4. The State Government shall be guided by the following fiscal management principles, namely;-
  - (a) transparency in setting the fiscal policy objectives, the implementation of public policy and the publication of fiscal information so as to enable the public to scrutinise the conduct of fiscal policy and the state of public finances;

- (b) stability and predictability in fiscal policy making process and in the way fiscal policy impacts the economy;
- (c) responsibility in the management of public finances, including integrity in budget formulation;
- (d) fairness to ensure that policy decisions of the State Government have due regard to their financial implications on future generations; and
- (e) efficiency in the design and implementation of the fiscal policy and in managing the assets and liabilities of the public sector balance sheet.

*Fiscal Policy Statements to be laid before the Legislature*

5. The State Government shall in each financial year lay before the House/Houses of the Legislature, the following statements<sup>1</sup> of fiscal policy along with the budget, namely:-

- (a) the Macroeconomic Framework Statement;
- (b) the Medium Term Fiscal Policy Statement; and
- (c) the Fiscal Policy Strategy Statement.

**Act No. 15 of 2006**

**(d) the statement on the number of employees in Government, Public Sector Undertakings and aided institutions and expenditure of State Government towards salaries and pensions.**

*Macroeconomic Framework Statement*

6. The Macroeconomic Framework Statement, in such form as may be prescribed, shall contain an overview of the State economy, an analysis of growth and sectoral composition of GSDP, an assessment related to State Government finances and future prospects.

*Medium Term Fiscal Policy Statement*

7. (1) The Medium Term Fiscal Policy Statement shall set forth in such form as may be prescribed the fiscal management objectives of the State Government and three- year rolling targets for the prescribed fiscal indicators with clear enunciation of the underlying assumptions.

(2) In particular and without prejudice to the provisions contained in sub-section (1), the Medium Term Fiscal Policy Statement shall include the various assumptions behind the fiscal indicators and an assessment of sustainability relating to;-

- (i) the balance between revenue receipts and revenue expenditure;
- (ii) the use of capital receipts including borrowings for generating productive assets;
- (iii) the estimated yearly pension liabilities worked out on actuarial basis for the next ten years.

Provided that in case it is not possible to calculate the pension liabilities on actuarial basis during the period of first three years after the coming into force of this Act, the State Government may, during that period, estimate the pension liabilities by making forecasts on the basis of trend growth rates.

- Fiscal Policy Strategy Statement* 8. The Fiscal Policy Strategy Statement shall be in such form as may be prescribed and shall contain, inter alia,
- (i) the fiscal policies of the State Government for the ensuing year relating to taxation, expenditure, borrowings and other liabilities (including borrowings by Public Sector Undertakings and Special Purpose Vehicle and other equivalent instruments where liability for repayment is on the State Government), lending, investments, other contingent liabilities, user charges on public goods/utilities and description of other activities, such as guarantees and activities of Public Sector Undertakings which have potential budgetary implications;
  - (ii) the strategic priorities of the State Government in the fiscal area for the ensuing year;
  - (iii) the key fiscal measures and the rationale for any major deviation in fiscal measures pertaining to taxation, subsidy, expenditure, borrowings and user charges on public goods/utilities; and
  - (iv) an evaluation of the current policies of the State Government *vis-à-vis* the fiscal management principles set out in Section 4, the fiscal objectives set out in the Medium-Term Fiscal Policy Statement in sub-section (1) of section 7 and fiscal targets set out in section 9.

*Fiscal Targets* 9. (1) The State Government may prescribe such targets as may be deemed necessary for giving effect to the fiscal management objectives.

(2) In particular, and without prejudice to the generality of the foregoing provisions, the State Government shall -

- (a) reduce revenue deficit by an amount equivalent to at least 0.32 percentage point of G.S.D.P. in each financial year, beginning from the 1<sup>st</sup> day of April 2005, so as to eliminate it by 31<sup>st</sup> March 2009 and generate revenue surplus thereafter;

**Amended in 2010**

- (b) ~~reduce fiscal deficit by an amount equivalent to at least 0.25 percentage point of GSDP in each financial year beginning from the 1st day of April, 2005, so as to bring it down to not more than 3 per cent by the year ending March 2009.~~

**Act No.7 of 2010**

- (b) **reduce fiscal deficit by an amount equivalent to atleast 0.25 percentage point of Gross State Domestic Product in each financial year beginning from the 1<sup>st</sup> day of April, 2005, so as to bring it down to not more than 3 percent; subject to the fiscal deficit limits fixed by the Government of India from time to time.**

**Provided that for the financial year ending March, 2009 the fiscal deficit shall not be more than 3.5 percent of GSDP and for the financial year ending March, 2010 the fiscal deficit shall not be more than 4 percent of GSDP.**

- (c) ensure within a period of five years, beginning from the initial financial year on the 1st day of April 2005, and ending on the 31st day of March 2010, that the outstanding total liabilities do not exceed 35 per cent of the estimated GSDP for that year;

**Act No.8 of 2011**

*“(cc) ensure within the subsequent period of five years, beginning from the financial year on the 1st day of April, 2010, and ending on the 31st day of March, 2015, that the total outstanding liabilities do not exceed 27.6 per cent of the GSDP, as prescribed by the Government of India in pursuance of the recommendations of Thirteenth Finance Commission, year wise as follows:*

*for the financial year 2010-11 ..... 30.3 percent of GSDP*

*for the financial year 2011-12 ..... 29.6 percent of GSDP*

*for the financial year 2012-13 ..... 28.9 percent of GSDP*

*for the financial year 2013-14 ..... 28.2 percent of GSDP*

*for the financial year 2014-15 ..... 27.6 percent of GSDP”.*

- (d) limit the amount of annual incremental risk weighted guarantees to 90 per cent of the TRR in the year preceding the current year:

Provided that revenue deficit and fiscal deficit may exceed the limits specified under this section due to ground or grounds of unforeseen demands on the finances of the State Government arising out of internal disturbance or natural calamity or such other exceptional grounds as the State Government may specify:

Provided further that a statement in respect of the ground or grounds specified in the first proviso shall be placed before the House or Houses of the Legislature, as soon as may be, after such deficit amount exceeds the aforesaid targets.

*Measures for  
Fiscal  
Transparency*

10. (1) The State Government shall take suitable measures to ensure greater transparency in its fiscal operations in the public interest and minimise as far as practicable, secrecy in the preparation of the budget.

(2) In particular, and without prejudice to the generality of the foregoing provisions, the State Government shall, at the time of presentation of the budget, make disclosures on the following, along with detailed information in such forms as may be prescribed:-

- (a) the significant changes in the accounting standards, policies and practices affecting or likely to affect the computation of fiscal indicators;
- (b) details of borrowings by way of Ways and Means Advances/Overdraft availed of from the Reserve Bank of India.

(3) Whenever the State Government undertakes to unconditionally and substantially repay the principal amount and/or pay the interest of any separate legal entity, it has to reflect such liability as the borrowings of the State.

*Measures to  
Enforce  
Compliance*

11. (1) The Minister-in-Charge of the Department of Finance (hereinafter referred to as Minister of Finance) shall review, every quarter, the trends in receipts and expenditure in relation to the budget estimates and place before the House or Houses of the Legislature, the outcome of such reviews.

(2) Whenever there is either shortfall in revenue or excess of expenditure over the intra-year targets mentioned in the Fiscal Policy Strategy Statement or the rules made under this Act, the State Government shall take appropriate measures for increasing revenue and/or for reducing the expenditure, including

curtailment of the sums authorised to be paid and applied from out of the Consolidated Fund of the State.

Provided that nothing in this sub-section shall apply to the expenditure charged on the Consolidated Fund of the State under clause (3) of Article 202 of the Constitution or any other expenditure, which is required to be incurred under any agreement or contract, which cannot be postponed or curtailed.

(3) (a) Except as provided under this Act, no deviation in meeting the obligations cast on the State Government under this Act shall be permissible without approval of Legislature.

(b) Where owing to unforeseen circumstances, any deviation is made in meeting the obligations cast on the State Government under this Act, the Minister of Finance shall make a statement in the House or Houses of Legislature explaining;-

- (i) any deviation in meeting the obligations cast on the State Government under this Act;
- (ii) whether such deviation is substantial and relates to the actual or the potential budgetary outcomes; and
- (iii) the remedial measures the State Government proposes to take.

(4) Any measure proposed in the course of the financial year, which may lead to an increase in revenue deficit, either through increased expenditure or loss of revenue, shall be accompanied by a statement of remedial measures, proposed to neutralise such increase or loss and such statement shall be placed before the House/Houses of Legislature.

(5) The State Government may set up an agency independent of the State Government to review periodically the compliance of the provisions of this Act and table such reviews in the House or Houses of the State Legislature.

*Protection of  
action taken in  
good faith*

12. No suit, prosecution or other legal proceedings shall lie against the Government or any officer, authority or person empowered to exercise the powers and perform the functions by or under this Act for anything which is in good faith done or intended to be done under this Act or the rules or orders made thereunder.

*Application of  
other laws not  
barred*

13. Save as otherwise provided the provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force, except to the extent the provisions of other laws are inconsistent with any provisions of this Act.

*Power to remove  
difficulties*

14. If any doubt or difficulty arises in giving effect to the provisions of this Act, the Government may, by order make such provisions or give such directions not inconsistent with

the provisions of this Act as may appear to it to be necessary or expedient for removal of doubt or difficulty:

Provided that no order shall be made under this section after the expiry of two years from the commencement of this Act.

*Power to Make Rules*

15. (1) The State Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely,-

- (a) the form of the Macroeconomic Framework Statement under section 6;
- (b) the form of Medium-Term Fiscal Policy Statement, including the targets for the fiscal indicators, under section 7;
- (c) the form of Fiscal Policy Strategy Statement under section 8;
- (d) the forms for disclosure under sub-section (2) of section 10;
- (e) measures to enforce compliance;
- (f) the manner of review of compliance of the provisions of this Act by the independent agency under section 11; and
- (g) any other matter which is required to be, or may be, prescribed.

(3) Every rule made under this Act shall be laid, as soon as may be after it is made, before the House or Houses of the Legislature, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, the House/Houses agree in making any modification in the rule or the House/Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

*Repeal of Ordinance No.9 of 2005*

16. The Andhra Pradesh Fiscal Responsibility and Budget Management Ordinance, 2005 is hereby repealed.

**T. MADHAN MOHAN REDDY,**  
Secretary to Government,  
Legislative Affairs & Justice, Law Department.



## APPENDIX - VII

(G.O.M.s.No.183, Finance (BG-I) Department, Dated 30.6.2006)

Andhra Pradesh Fiscal Responsibility and Budget Management Rules, 2006–  
Notification – Orders – Issued.

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### FINANCE (BG.I) DEPARTMENT

G.O.Ms.No.183

Dated: 30-06-2006.

Read the following:-

1. Andhra Pradesh Fiscal Responsibility and Budget Management Act, 2005 (Act No.34 of 2005).
2. Andhra Pradesh Fiscal Responsibility and Budget Management (Amendment) Act, 2006 (Act No.15 of 2006).

---X---

The following Notification will be published in the Extra-ordinary issue of Andhra Pradesh Gazette dated 30-06-2006.

### NOTIFICATION

In exercise of the powers conferred by section 15 of the Andhra Pradesh Fiscal Responsibility and Budget Management Act, 2005, (Act No.34 of 2005) and the Andhra Pradesh Fiscal Responsibility and Budget Management (Amendment) Act, 2006 (Act No.15 of 2006) the Government of Andhra Pradesh hereby makes the following rules, namely :-

### RULES

#### 1. Short title and commencement

- (1) These rules may be called the Andhra Pradesh Fiscal Responsibility and Budget Management Rules, 2006.
- (2) They shall come into force with effect from 30-06-2006.

#### 2. Definitions

In these rules, unless the context otherwise requires, -

- a. "Act" means the Andhra Pradesh Fiscal Responsibility and Budget Management Act, 2005 ;
- b. "form" means a form appended to these rules;
- c. "section" means a section of the Act;
- d. words and expressions used herein but not defined and defined in the Act shall have the meanings respectively assigned to them in the Act.

#### 3. Macroeconomic Framework Statement

The Macroeconomic Framework Statement as required under Section 6, of the Act shall be in **Form F-1**.

#### 4. Medium Term Fiscal Policy Statement

- (1) The Medium Term Fiscal Policy Statement, as required under sub-section (1) of section 7, of the Act shall include in **Form F-2** three year rolling targets in respect of the following fiscal indicators:
  - (a) revenue deficit as a percentage of TRR;
  - (b) fiscal deficit as a percentage of GSDP;
  - (c) outstanding total liabilities as a percentage of GSDP;
- (2) The Medium Term Fiscal Policy Statement shall also explain the assumptions underlying the above mentioned targets for fiscal indicators and an assessment of sustainability relating to the items indicated in sub-section (2) of section 7 of the Act.

#### 5. Fiscal Policy Strategy Statement

The Fiscal Policy Strategy Statement as required under Section 8 of the Act shall be in **Form F-3**.

#### 6. Disclosures

- (1) The State Government shall, at the time of presenting the budget, make disclosures as required under section 10 together with the following statements:
  - (a) a statement of select indicators of fiscal situation in **Form D-1**;
  - (b) a statement on components of State Government liabilities and interest cost of borrowings/mobilization of deposits in **Form D-2**;
  - (c) a statement on the Consolidated Sinking Fund in **Form D-3**;
  - (d) a statement on guarantees given by the Government in **Form D-4**;
  - (e) a statement on outstanding risk-weighted guarantees in **Form D-5**;
  - (f) a statement on the Guarantee Redemption Fund in **Form D-6**;
  - (g) a statement of assets in **Form D-7**;
  - (h) A statement on claims and commitments made by the State Government on revenue demands raised but not realized in **Form D-8**; and
  - (i) a statement on liability in respect of major works and contracts, committed liabilities in respect of land acquisition charges and claims on the State Government in respect of unpaid bills on works and supplies in **Form D-9**;
  - (j) a statement giving details of number of employees in government, public sector and aided institutions and related salaries and pensions in **Form D-10**.
- (2) The provisions of sub-rule (1) shall be complied with not later than three years after the coming into force of the Act.

## **7. Measures to enforce compliance**

In case the outcome of the quarterly reviews of trends in receipts and expenditure, at the end of the second quarter of any financial year shows that -

- (i) the total non-debt receipts are less than 40 per cent of Budget Estimates for that year; **or**
- (ii) the fiscal deficit is higher than 45 per cent of the Budget Estimates for that year; **or**
- (iii) the revenue deficit is higher than 45 per cent of the Budget Estimates for that year;

then –

**(a) as required under sub-section (2) of section 11 of the Act, the State Government shall take appropriate measures and (b) as required under sub-section 3(b) of section 11 of the said Act, the Minister-in-charge of the Ministry of Finance shall make a statement in the Legislature during the session immediately following the end of the second quarter detailing the corrective measures taken and the prospects for the fiscal deficit of that financial year.**

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**P. RAMAKANTH REDDY,**  
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To

All Departments of Secretariat.

All Heads of Departments.

The Commissioner, Printing, Stationary and Stores Purchase, A.P, Hyderabad  
for publication in the A.P. Gazette.

**Copy to:**

The A.G., A.P., Hyderabad.

The Ministry of Finance, GOI, New Delhi.

The Reserve Bank of India, Mumbai.

\* \* \*

## Form F - 1

(See rules 3 and 4)

### MACRO ECONOMIC FRAMEWORK STATEMENT

1. **Overview of the State Economy:** [This paragraph shall contain a synoptic analysis of trend in the rate of growth of output. Information on key macroeconomic indicators shall be presented in the table at the end of this form.]
2. **GSDP Growth:** [This paragraph shall contain an analysis of trends in overall GSDP growth and its sectoral composition.]
3. **Overview of State Government Finances:** [This paragraph shall detail the developments in State Finances including an analysis of trends in revenue collections and expenditure, and the important fiscal deficit and debt indicators and the measures taken to improve the financial position of the State Government. Trends in State Government finances shall be presented in the format appended. This will, *inter alia*, indicate the developments related to the Consolidated Sinking Fund, Guarantee Redemption Fund, and issuances of risk-weighted guarantees and Ways and Means Advances availed from the RBI. This paragraph may also cover analysis of finances of local bodies and State-level public sector undertakings including the progress made by them for compilation/ finalization of annual statements of accounts and Central transfers.]
4. **Prospects:** [Based on the trends in major sectors presented in the previous sections, an assessment shall be made regarding the growth prospects, along with the underlying assumptions. An assessment of fiscal prospects shall also be made.]

**F-1 ( Contd.)**  
**Macro Economic Framework Statement**  
Economic Performance at a Glance

Table 1: Trends in Select Macroeconomic and Fiscal Indicators

		Absolute Value (Rs. Crore)		Percentage Changes	
		April- Reporting period*		April-Reporting period*	
		Previous Year	Current Year	Previous Year	Current Year
	<b>Real Sector</b>				
1.	GSDP at factor cost				
(a)	at current price				
(b)	at 1993-94 price				
2.	Agriculture Production				
3.	Industrial Production				
4.	Tertiary Sector Production				
	<b>Government Finances</b>				
1	Revenue Receipts (2 +3)				
2	Tax Revenue (2.1+2.2)				
2.1	Own Tax Revenue				
2.2	State's Share in Central Taxes				
3	Non-Tax Revenue (3.1+3.2)				
3.1	State's Own Non Tax revenue				
3.2	Central Transfers				
4	Capital Receipts (5+6+7)				
5	Recovery of loans				
6	Other Receipts				
7	Borrowing and other liabilities				
8	Total Receipts (1+ 4)				
9	Non-Plan Expenditure				
10	Revenue Account <i>Of which:</i>				
		Previous Year	Current Year	Previous Year	Current Year
11	(a) Interest payments (b) Subsidies (c) Wages & Salaries (d) Pension Payments				

12	Capital Account				
13	Plan Expenditure				
14	Revenue Account				
15	Capital Account				
16	Total Expenditure (9+13)				
17	Revenue Expenditure (10+14)				
18	Capital Expenditure (12+15)				
19	Revenue Deficit (17-1)				
20	Fiscal Deficit {16-(1+5+6)}				
21	Primary Deficit (20-11a)				
	<i>Memo:</i>				
	Average amount of WMA from RBI ^				
	Average amount of OD from RBI ^				
	Number of days of OD				
	Number of occasions of OD				

\* Date will relate to the period up to which information for the current year is available. To facilitate comparison, date of previous year corresponds to the same period of current year. Accordingly, reporting period may vary for different items.

^ The average amount of WMA/OD is calculated by summing up the outstanding amount of WMA as on each day (including holidays) and dividing by the total number of days during April-Reporting period.

**Form F-2**  
(See rule 4)

**MEDIUM TERM FISCAL POLICY STATEMENT**

**A. Fiscal Indicators - Rolling Targets**

	Previous Year (Y-2) Actuals	Current Year (Y-1) Budget Estimates (BE)	Current Year (Y-1) Revised Estimates (RE)	Ensuing Year (Y); Budget Estimates (BE)	Targets for next Two Years	
					Y + 1	Y + 2
1. Revenue Deficit as percentage of Total Revenue Receipts (TRR)						
2. Fiscal Deficit as percentage of GSDP						
3. Total outstanding Liabilities as percentage of GSDP						
4. [Any additional target(s)]						

**B. Assumptions underlying the Fiscal Indicators -**

1. Revenue receipts
  - (a) Tax-revenue -Sectoral and GSDP growth rates
  - (b) Non-tax-revenue - Policy stance
  - (c) Devolution to Local Bodies
  - (d) Share of own tax revenue to total tax revenue
  - (e) Share of own non-tax revenue to total non-tax revenue
  
2. Capital receipts - Debt stock, repayment, fresh loans and policy stance
  - (a) Loans and advances from the Centre
  - (b) Special securities issued to the NSSF
  - (c) Recovery of loans and advances
  - (d) Borrowings from financial institutions
  - (e) Other receipts (net) – small savings, provident funds, etc.
  - (f) Outstanding Liabilities - Internal Debt and Other Liabilities

### 3. Total expenditure - Policy Stance

#### (g) Revenue account

- (i) Interest payments – (a) on borrowings during the year (aggregate and category-wise); (b) on outstanding liabilities – (i) (aggregate and category-wise)
- (ii) Major subsidies
- (iii) Salaries
- (iv) Pensions
- (v) Others.

#### (h) Capital account

- (i) Loans and advances
- (ii) Capital Outlay

### 4. GSDP Growth

#### **C. Assessment of sustainability relating to -**

(i) The balance between receipts and expenditure in general and revenue receipts and revenue expenditure in particular. The Medium Term Fiscal Policy Statement may specify the tax-GSDP ratio, own tax-GSDP ratio and State's share in Central tax – GSDP ratio for the current year and subsequent two years with an assessment of the changes required for achieving it. It may discuss the non-tax revenues and the policies concerning the same. Expenditure on revenue account, both plan and non-plan, may be also discussed with particular emphasis on the measures proposed to meet the overall objectives. It may discuss policies to contain expenditure on salaries, pension, subsidies and interest payments. An assessment of the capital receipts shall be made, including the borrowings and other liabilities, as per policies spelt out. The statement shall also give projections for GSDP and discuss it on the basis of assumptions underlying the indicators in achieving the sustainability objective.

(ii) The use of capital receipts including market borrowings for generating productive assets. The Medium Term Fiscal Policy Statement may specify the proposed use of capital receipts for generating productive assets in different categories. It may also spell out the proposed changes among these categories and discuss them in terms of the overall policy of the Government.

(iii) The estimated yearly pension liabilities worked out on actuarial basis for the next ten years. In case it is not possible to calculate the pension liabilities on actuarial basis during the period of first three years after the coming into force of this Ordinance, the State Government may, during that period, estimate the pension liabilities by making forecasts on the basis of trend growth rates (i.e. average rate of growth of actual pension payments during the last three years for which data are available).



**Form F - 3**  
(See rule 5)

**FISCAL POLICY STRATEGY STATEMENT**

**A: Fiscal Policy Overview:** [This paragraph will present an overview of the fiscal policy currently in vogue.]

**B: Fiscal policy for the ensuing year:** [This paragraph shall have, *inter alia*, six sub-paragraphs dealing with -

(1) Tax Policy

In the sub-paragraph on tax policy, major changes proposed to be introduced in direct and indirect taxes in the ensuing financial year will be presented. It shall contain an assessment of exemption in various taxes and how far it relates to principles regarding tax exemptions.

(2) Expenditure Policy

Under expenditure policy, major changes proposed in the allocation for expenditure shall be indicated. It shall also contain an assessment of principles regarding the benefits and target group of beneficiaries.

(3) Borrowings and Other Liabilities, Lending and Investments

In this sub-paragraph on borrowings, the policy relating to internal debt, including the access to WMA/OD facility from the Reserve Bank of India, Government lending, investments and other activities; including principles regarding average maturity structure, bunching of repayments, etc., shall be indicated. The borrowings by Public Sector Undertakings and Special Purpose Vehicle, lending, investments, pricing of user charges on public goods and utilities and description of other activities, and activities of Public Sector Undertakings which have potential budgetary implications; and the key fiscal measures and targets pertaining to each of these shall be indicated.

(4) Consolidated Sinking Fund

In this sub-paragraph, the policy related to the Consolidated Sinking Fund (CSF) shall be indicated.

(5) Contingent and other Liabilities

Any change in the policy on contingent and other liabilities, in particular guarantees, which have potential budgetary implications shall be indicated. Any change in the policy related to borrowings by special purpose vehicle (SPV) and other equivalent instruments where liability for repayment is on the State Government shall be indicated. The policy on building up of the Guarantee Redemption Fund (GRF) and commission charges/collected for guarantees issued shall also be indicated.

(6) Levy of User Charges

Any change proposed in the levy of user charges of public services shall be spelt out.

**C. Strategic priorities for the ensuing year:**

- [(1) Resource mobilization for the ensuing financial year through tax, non-tax and other receipts shall be spelt out.
- (2) The broad principles underlying the expenditure management during the ensuing year shall be spelt out.
- (3) Priorities relating to management of public debt proposed during the ensuing year shall be indicated.]

**D: Rationale for Policy changes:**

**[(1) The rationale for policy changes consistent with the Medium Term Fiscal Policy Statement, in respect of taxes proposed in the ensuing Budget shall be spelt out.**

(2) The rationale for major policy changes in respect of budgeted expenditure including expenditure on subsidies and pensions shall be indicated.

(3) Rationale for changes, if any, proposed in the management of the public debt shall be indicated.

(4) The need for changes, if any, proposed in respect of the charges for public utilities shall be spelt out.]

**E. Policy Evaluation:**

**[The paragraph shall contain an evaluation of the changes proposed in the fiscal policy for the ensuing year with reference to fiscal deficit reduction and objectives set out in the Medium Term Fiscal Policy Statement.]**

**FORM D-1**  
*[See rule 6]*

**SELECT FISCAL INDICATORS**

	Item	Previous Year (Actuals)	Current Year (RE)
1.	Gross Fiscal Deficit as Percentage of GSDP		
2.	Revenue Deficit as Percentage of Gross Fiscal Deficit		
3.	Revenue Deficit as Percentage of GSDP		
4.	Revenue Deficit as Percentage of TRR		
5.	Total Liabilities -GSDP Ratio (%)		
6.	Total Liabilities - Total Revenue Receipts (%)		
7.	Total Liabilities –State's Own Revenue Receipts (%)		
8.	State's Own Revenue Receipts to Revenue Expenditure (%)		
9.	Capital Outlay as Percentage of Gross Fiscal Deficit		
10.	Interest Payment as Percentage of Revenue Receipts		
11.	Salary Expenditure as Percentage of Revenue Receipts		
12.	Pension Expenditure as Percentage of Revenue Receipts		
13.	Non-developmental Expenditure as Percentage of aggregate disbursements		
14.	Gross Transfers from the Centre as Percentage of Aggregate Disbursements		
15.	Non-tax Revenue as Percentage of TRR		

**FORM D-2***[See rule 6]***A. Components of State Government Liabilities**

(Rs. crore)

Category	Raised during the Fiscal Year		Repayment/Redemption during the Fiscal Year		Outstanding Amount (End-March)	
	Previous Year (Actuals)	Current Year (RE)	Previous year (Actuals)	Current year (RE)	Previous year (Actuals)	Current year (RE)
Market Borrowings						
Loans from Centre						
Special Securities issued to the NSSF						
Borrowings from Financial Institutions/ Banks						
WMA/OD from RBI						
Small Savings, Provident Funds, etc						
Reserve Funds/ Deposits						
Other Liabilities						
<b>Total</b>						

**FORM D-2**

*[See rule 6]*

**B. Weighted Average Interest Rates on State Government Liabilities**

(per cent)

Category	Raised during the Fiscal Year <sup>^</sup>		Outstanding Amount (End-March)	
	Previous Year (Actuals)	Current Year (RE)	Previous year (Actuals)	Current year (RE)
Market Borrowings				
Loans from Centre				
Special Securities issued to the NSSF				
Borrowings from Financial Institutions/ Banks				
WMA/OD from RBI				
Small Savings, Provident Funds, etc				
Reserve Funds/ Deposits				
Other Liabilities				
<b>Total *</b>				

<sup>^</sup> Weighted average interest rate where the respective weight is the amount borrowed. This is calculated on contractual basis and then annualized.

\* Weighted average interest rate where the weights are the amount of the respective components of State Government liabilities.

### **Example 1**

Suppose the State Government raised resources from the market on three occasions during a fiscal year for an aggregate amount of Rs.6,000 crore. The annual rates of interest were 10 per cent, 12 per cent and 14 per cent, for Rs.1,000 crore, Rs.2,000 crore and Rs.3,000 crore, respectively. The weighted average interest rate in respect of the resources raised during the year would, therefore, be

$$\begin{aligned} & [\text{Rs.}1000 \times (10/100) + 2000 \times (12/100) + 3000 \times (14/100)] / (1000+2000+3000) \\ & \times 100 \\ & = [100 + 240 + 420] / 6000 \times 100 \\ & = (760/6000) \times 100 \\ & = 12.67\% \end{aligned}$$

### **Example 2**

Suppose the previous and current years pertain to 2002-03 and 2003-04. Suppose the total outstanding amount of special securities issued by the State Government to the NSSF was Rs.1,000 crore as at end-March 2002 and Rs.1,500 crore as at end-March 2003. Suppose the total interest cost incurred by the State Government on this account during 2002-03 and 2003-04 amount to Rs.100 crore and Rs.120 crore, respectively. Then the weighted average interest cost on the outstanding amount of special securities issued to the NSSF during the previous year (i.e. 2002-03) is equal to  $100/1000 = 10$  per cent. Similarly, the weighted average interest cost on the outstanding amount of special securities issued to the NSSF during the current year (i.e. 2003-04) is equal to  $120/1500 = 8$  per cent.

**FORM D-3**

[See rule 6]

**Consolidated Sinking Fund (CSF)***(Amount in Rs. Crore)*

Outstanding balance in CSF at the beginning of the previous year	Additions to CSF during the previous year	Withdrawals from CSF during the previous year	Outstanding balance in CSF at the end of the previous year/ beginning of current year	(4)/ Outstanding Stock of SLR Borrowings (%)	Additions to CSF during the current year	Withdraw-also from CSF during the current year	Outstanding at the end of current year/ beginning of ensuing year	(8)/ Stock of SLR Borrowings (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

**FORM D - 4**  
[See rule 6]

*Guarantees given by the Government*

Category (No. of Guarantees within bracket)	Maximum Amount Guaranteed during the year (Rs. crore)	Outstanding at the beginning of the year (Rs. crore)	Additions during the year (Rs. crore)	Reductions during the year (other than invoked during the year) (Rs. crore)
1	2	3	4	5

Invoked during the year (Rs. crore)		Outstanding at the end of the year (Rs. crore)	Guarantee Commission <b>or</b> Fee (Rs. crore)		Remarks
Discharged	Not discharged		Receivable	Received	
6	7	8	9	10	11

**Note** : Reporting year refers to the second year preceding the year for which the Budget is presented.



**FORM D-5***[See rule 6]***Outstanding Risk –weighted Guarantees**

(Amount in Rs. Crore)

Default Probability	Risk weights (per cent)	Amount outstanding as in the Previous Year and the Current Year	Risk weighted outstanding guarantee in the previous year and the current year
Direct Liabilities	100		
High Risk	75		
Medium Risk	50		
Low Risk	25		
Very Low Risk	5		
<b>Total Outstanding</b>			

Note: The risk-weights have been pre-specified for various risk categories.

**FORM D-6***[See rule 6]***Guarantee Redemption Fund (GRF)**

(Amount in Rs. Crore)

Outstanding invoked guarantees at the end of the previous year	Outstanding Amount in GRF at the end of the previous year	Amount of Guarantees Likely to be Invoked during the current year	Addition to GRF during the current year	Withdrawal from the GRF during the current year	Outstanding Amount in GRF at the end of the current year
(1)	(2)	(3)	(4)	(5)	(6)

**Notes:**

(i) As per the terms of the GRF, during each year, the Government is required to contribute an amount equivalent at least to 1/5<sup>th</sup> of the outstanding invoked guarantees plus an amount likely to be invoked as a result of the incremental guarantees issued during the year.

(ii) Previous year refers to the year preceding the current year.

**FORM D - 7***[See rule 6]***STATEMENT OF ASSETS**

	Assets at the beginning of the reporting year	Assets acquired during the reporting year	Cumulative total of assets at the end of the reporting year
	Book Value (Rs. cr.)	Book Value (Rs. cr.)	Book Value (Rs. cr.)
<b>Financial assets:</b> Loans and advances Loans to Local Bodies Loans to companies Loans to others Equity Investment Shares Bonus shares Investments in GoI dated securities/ Treasury Bills Investments in 14-day Intermediate Treasury Bills Other financial investments (please specify)  Total			
<b>Physical assets:</b> Land Building – Office/Residential Roads Bridges Irrigation Projects Power projects Other capital projects Machinery & Equipment Office Equipment Vehicles Total			

**Notes:**

1. Assets above the threshold value of Rupees two lakh only to be recorded.
2. Reporting year refers to the second year preceding the year for which the annual financial statement and demands for grants are presented.
3. The Statement in respect of physical assets is to be prepared based on asset register maintained by the Government. The value to be indicated would be book-value, i.e. acquisition cost netted for depreciation/impairment.

**Form D - 8**

[See rule 6]

**TAX REVENUES RAISED BUT NOT REALISED**

(principal taxes)

(As at the end of the reporting year)

Major Head	Description	Amount under disputes (Rs. crore)				Amount not under disputes (Rs. crore)				Grand Total	
		Over 1 year but less than two years	Over 2 years but less than 5 years	Over 5 years but less than 10 years	Over 10 years	Total	Over 1 year but less than two years	Over 2 years but less than 5 years	Over 5 years but less than 10 years		Over 10 years
	<b>Taxes on Income &amp; Expenditure</b>										
	Agricultural Income Tax										
	Taxes on Professions, Trades, callings and employment										
	<b>Taxes on Property and capital Services</b>										
	Land Revenue										
	Stamps and Registration fees										
	Urban immovable property tax										
	<b>Taxes on Commodities and Services</b>										
	Sales Tax										
	Central Sales Tax										
	Sales Tax on Motor Spirit and Lubricants										
	Surcharge on Sales Tax										

State Excise												
Taxes on Vehicles												
Other Taxes												
<i>TOTAL</i>												

Note : Reporting year refers to the second year preceding the year for which the annual financial statement and demands for grants are presented.

**Form D - 9**

*[See rule 6]*

**Statement of Miscellaneous Liabilities: Outstandings**

**(Rs. crore)**

	<b>Outstanding Amount \$</b>
Major Works and Contracts	
Committed liabilities in respect of land acquisition charges	
Claims in respect of unpaid bills on works and supplies	

**\$** The outstanding amount pertains to the end-March position for the year before the current year.

**Form D - 10**

*[See rule 6]*

**NUMBER OF EMPLOYEES IN PUBLIC SECTOR UNDERTAKINGS & AIDED INSTITUTIONS AND EXPENDITURE OF STATE GOVERNMENT**

Sl. No.	Sector Name	Total Employees as on 31-03-	Related Expenditure during (Rs. in crores)	
			On Salary	On Pension
1	State Government			
2	Judiciary			
3	Aided Educational Institutions			
4	Zilla Praja Parishads			
5	Mandal Praja Parishads			
6	Gram Panchayaths			
7	Municipal Corporations			
8	Municipalities			
9	Urban Development Authorities			
10	Agricultural Market Committees			
11	Zilla Grandhalaya Samasthas			
12	State Public Sector Undertakings			
13	Universities			
14	Cooperative institutions and other Government Bodies			
15	Temples			
	<b>Total</b>			

**APPENDIX - VIII**  
*(LIST OF DEMANDS & HODs)*

Demand	Department
I-STATE LEGISLATURE	LEGISLATIVE SECRETARIAT
II-GOVERNOR AND COUNCIL OF MINISTERS	GENERAL ADMINISTRATION, SECRETARIAT DEPARTMENT  GOVERNOR & GOVERNOR SECRETARIAT
III-ADMINISTRATION OF JUSTICE	LAW DEPARTMENT, SECRETARIAT DEPARTMENT REGISTRAR OF HIGH COURT PROSECUTIONS, HOD ADVOCATE GENERAL'S OFFICE MEMBER SECRETARY, STATE LEGAL SERVICES AUTHORITY A.P JUDICIAL ACADEMY
IV-GENERAL ADMINISTRATION AND ELECTIONS	GENERAL ADMINISTRATION, SECRETARIAT DEPARTMENT  INFORMATION & PUBLIC RELATIONS, HOD PUBLIC SERVICE COMMISSION, HOD TRIBUNAL FOR DISCIPLINARY PROCEEDINGS, HOD ANTI CORRUPTION BUREAU, HOD DIRECTOR, PROTOCOL, HOD LOK AYUKTA & UPA LOK-AYUKTA, HOD VIGILANCE & ENFORCEMENT, HOD O/O SPECIAL COMMISSIONER, AP GUEST HOUSE, NEW DELHI, HOD VIGILANCE COMMISSION MCR HRD INSTITUTE, HOD CHIEF ELECTORAL OFFICER, ELECTIONS ADMINISTRATIVE TRIBUNAL DIRECTOR OF TRANSLATIONS
V-REVENUE, REGISTRATION AND RELIEF	ARCHIVES TARNAKA  REVENUE DEPARTMENT, SECRETARIAT DEPARTMENT  LAND ADMINISTRATION, HOD SURVEY, SETTLEMENT AND LAND RECORDS, HOD SPECIAL COURT UNDER AP LAND GRABBING (PROHIBITION) ACT, HOD REGISTRATION AND STAMPS, HOD COMMISSIONER FOR RELIEF, HOD SETTLEMENTS, HOD REGISTRAR GENERAL OF BIRTHS, DEATHS & MARRIAGES, HOD

Demand	Department
VI-EXCISE ADMINISTRATION	EXCISE,HOD
VII-COMMERCIAL TAXES ADMINISTRATION	COMMERCIAL TAXES,HOD SALES TAX APPELLATETRIBUNAL, HOD
VIII-TRANSPORT ADMINISTRATION	TRANSPORT COMMISSIONER, A.P, HOD
IX-FISCAL ADMINISTRATION, PLANNING SURVEYS AND STATISTICS	FINANCE, SECRETARIAT DEPARTMENT  TREASURIES AND ACCOUNTS, HOD STATE AUDIT,HOD LIFE INSURANCE DEPT, HOD PAY AND ACCOUNTS OFFICER, HOD SMALL SAVINGS, HOD FINANCE, HOD DIRECTOR OF WORKS ACCOUNTS, HOD REGISTRAR OF CENSUS PLANNING, SECRETARIAT DEPARTMENT ECONOMICS AND STATISTICS, HOD FINANCE (WORKS & PROJECTS), SECRETARIAT DEPARTMENT SETTLEMENTS, HOD
X-HOME ADMINISTRATION	HOME, SECRETARIAT DEPARTMENT DIRECTOR GENERAL & INSPECTOR GENERAL OF POLICE, HOD DIRECTOR GENERAL & INSPECTOR GENERAL OF PRISON, HOD  PRINTING, STATIONERY & STORES PURCHASE, HOD DIRECTOR GENERAL OF STATE DISASTER RESPONSE AND FIRE SERVICES, HOD SAINIK WELFARE, HOD POLICE ACADEMY COMMISSIONER OF CITY POLICE, HOD I.G.P. INTELLEGENCE PRINCIPAL CIVIL DEFENCE DMI I.G.P. HOME GUARDS I.G.P. AP SPECIAL PROTECTION FORCE I.G. GREY HOUNDS COMMISSIONER OF CYBERABAD POLICE, HOD DIRECTOR GENERAL, ORGANISATION OF COUNTER TERRORIST OPERATIONS (OCTOPUS)



Demand	Department
XI-ROADS, BUILDINGS AND PORTS	INFRASTRUCTURE AND INVESTMENT DEPARTMENT  DIRECTOR OF STATE PORTS, KAKINADA TRANSPORT, ROADS AND BUILDINGS DEPARTMENT, SECRETARIAT DEPARTMENT ENGINEER-IN-CHIEF ROADS, HOD CHIEF ENGINEER BUILDING, HOD CHIEF ENGINEER (R&B), EAP, RDC, HOD CHIEF ENGINEER, NABARD, HOD CHIEF ENGINEER, APHM&ECRP, HOD ENGINEER-IN-CHIEF (R&B, NH, ADMN. CRF, ROB/RUBs), HOD ENGINEER-IN-CHIEF (R&B) FC & HUDCO, HOD
XII-SCHOOL EDUCATION	HIGHER EDUCATION, SECRETARIAT DEPARTMENT ADULT EDUCATION,HOD PUBLIC LIBRARIES JAWAHAR BAL BHAWAN GOVERNMENT TEXTBOOK PRESS, HOD PROJECT DIRECTOR, SARVA SIKSHA ABHIYAN (Rajiv Vidya Mission) SECONDARY EDUCATION, SECRETARIAT DEPARTMENT SCHOOL EDUCATION,HOD GOVERNMENT EXAMINATIONS, HOD REGISTRAR OF PUBLICATIONS
XIII-HIGHER EDUCATION	HIGHER EDUCATION, SECRETARIAT DEPARTMENT COLLEGIATE EDUCATION, HOD ARCHIVES TARNAKA INTERMEDIATE EDUCATION, HOD ORIENTAL MANUSCRIPTS
XIV-TECHNICAL EDUCATION	TECHNICAL EDUCATION, HOD
XV-SPORTS AND YOUTH SERVICES	YOUTH ADVANCEMENT, TOURISM AND CULTURE, SECRETARIAT DEPARTMENT YOUTH SERVICES,YUVASAKTI N C C SAAP L.B.STADIUM

Demand	Department
XVI-MEDICAL AND HEALTH	HEALTH, MEDICAL & FAMILY WELFARE DEPARTMENT, SECRETARIAT DEPARTMENT MEDICAL EDUCATION, HOD HEALTH, HOD FAMILY WELFARE, HOD INSTITUTE OF PREVENTIVE MEDICINE, HOD  DEPARTMENT OF AYURVEDA, YOGA, UNANI, SIDDHA & HOMOEOPATHY (AYUSH) , HOD  DRUGS CONTROL ADMN, HOD CHIEF ENGINEER (PROJECTS), MAHABOONAGAR
XVII-MUNICIPAL ADMINISTRATION AND URBAN DEVELOPMENT	MUNICIPAL ADMINISTRATION AND URBAN DEVELOPMENT, SECRETARIAT DEPARTMENT  MUNICIPAL ADMINISTRATION, HOD TOWN AND COUNTRY PLANNING PUBLIC HEALTH
XVIII-HOUSING	HOUSING DEPARTMENT, SECRETARIAT DEPARTMENT WEAKER SECTION HOUSING, HOD
XIX-INFORMATION AND PUBLIC RELATIONS	INFORMATION & PUBLIC RELATIONS, HOD  A.P INFORMATION COMMISSION, HOD
XX-LABOUR AND EMPLOYMENT	LABOUR AND EMPLOYMENT, SECRETARIAT DEPARTMENT EMPLOYMENT AND TRAINING, HOD LABOUR, HOD LABOUR COURT-I, HYDERABAD FACTORIES, HOD LABOUR COURT-II, HYDERABAD LABOUR COURT-III, HYDERABAD LABOUR COURT, GUNTUR LABOUR COURT-CUM-INDUSTRIAL TRIBUNAL, VISAKHAPATNAM LABOUR COURT, ANANTAPUR LABOUR COURT, WARANGAL LABOUR COURT, GODAVARIKHANI INDUSTRIAL TRIBUNAL-I, HYDERABAD  ADDITIONAL INDUSTRIAL TRIBUNAL, HYDERABAD  INDUSTRIAL TRIBUNAL-II, HYDERABAD INSURANCE MEDICAL SERVICES, HOD
XXI-SOCIAL WELFARE	SOCIAL WELFARE, SECRETARIAT DEPARTMENT SOCIAL WELFARE, HOD

<b>Demand</b>	<b>Department</b>
XXII-TRIBAL WELFARE	TRIBAL WELFARE,HOD CHIEF ENGINEER, TRIBAL WELFARE, HOD
XXIII-BACKWARD CLASSES WELFARE	BACKWARD CLASSES WELFARE DEPARTMENT, SECRETARIAT DEPARTMENT BACKWARD CLASSES WELFARE, HOD MINORITIES WELFARE
XXIV-MINORITY WELFARE	MINORITIES WELFARE DEPARTMENT,SECRETARIAT DEPARTMENT MINORITIES COMMISSION MINORITIES WELFARE
XXV-WOMEN, CHILD AND DISABLED WELFARE	DEPARTMENT FOR WOMEN, CHILDREN, DISABLED AND SENIOR CITIZENS, SECRETARIAT DEPARTMENT WOMEN DEVELOPMENT & CHILD WELFARE, HOD PERSONS WITH DISABILITIES AND SENIOR CITIZENS WELFARE, HOD JUVENILE WELFARE,HOD
XXVI-ADMINISTRATION OF RELIGIOUS ENDOWMENTS	ENDOWMENTS,HOD
XXVII-AGRICULTURE	AGRICULTURE AND CO-OPERATION, SECRETARIAT DEPARTMENT AGRICULTURE,HOD HORTICULTURE,HOD SERICULTURE, HOD AGRICULTURE MARKETING & CO-OPERATION, SECRETARIAT DEPARTMENT DIRECTOR OF MARKETING, HOD HANDLOOMS & TEXTILES, HOD  RAIN SHADOW AREAS DEVELOPMENT DEPARTMENT
XXVIII-ANIMAL HUSBANDRY AND FISHERIES	ANIMAL HUSBANDRY, DAIRY DEVELOPMENT & FISHERIES, SECRETARIAT DEPARTMENT ANIMAL HUSBANDRY,HOD FISHERIES, HOD
XXIX-FOREST, SCIENCE, TECHNOLOGY AND ENVIRONMENT	ENVIRONMENT, FOREST, SCIENCE&TECH, SECRETARIAT DEPARTMENT  PRINCIPAL CHIEF CONSERVATOR OF FOREST, HOD

<b>Demand</b>	<b>Department</b>
XXX-CO-OPERATION	REGISTRAR OF CO-OPERATIVE SOCIETIES
XXXI-PANCHAYATRAJ	PANCHAYAT RAJ AND RURAL DEVELOPMENT, SECRETARIAT DEPARTMENT PANCHAYAT RAJ, HOD ENGINEER-IN-CHIEF (GENERAL & PANCHAYAT RAJ) ELECTION COMMISSION CHIEF ENGINEER, RURAL WATER SUPPLY
XXXII-RURAL DEVELOPMENT	PANCHAYAT RAJ AND RURAL DEVELOPMENT, SECRETARIAT DEPARTMENT RURAL DEVELOPMENT. HOD APARD
XXXIII-MAJOR AND MEDIUM IRRIGATION	IRRIGATION & COMMAND AREA DEVELOPMENT, SECRETARIAT DEPARTMENT COMMISSIONER, COMMAND AREA DEVELOPMENT AUTHORITY, HOD CHIEF ENGINEER, A.P. ENGINEERING RESEARCH LABORATORIES, HOD ENGINEER-IN-CHIEF (ADMINISTRATION), HOD ENGINEER-IN-CHIEF, MAJOR IRRIGATION, FLOOD CONTROL AND DRAINAGE, HOD ENGINEER-IN-CHIEF, MEDIUM IRRIGATION, HOD CHIEF ENGINEER, NAGARJUNA SAGAR PROJECT, HOD CHIEF ENGINEER, SREERAM SAGAR PROJECT, STAGE- II, HOD CHIEF ENGINEER, NEELAM SANJEEVA REDDY SAGAR SREESAILAM PROJECT, HOD CHIEF ENGINEER, N.T.R TELUGU GANGA PROJECT, HOD ADMINISTRATOR-CUM-CHIEF ENGINEER, SREERAM SAGAR PROJECT, STAGE-I, HOD SECRETARY, TUNGABHADRA BOARD, TUNGABHADRA DAM, HOD CHIEF ENGINEER, GODAVARI LIFT IRRIGATION SCHEME, WARANGAL, HOD CHIEF ENGINEER, CENTRAL DESIGN ORGANISATION, HOD CHIEF ENGINEER, INTER STATE WATER RESOURCES, HOD COMMISSIONER OF TENDERS, HOD CHIEF ENGINEER (PROJECTS), IRRIGATION, KADAPA, HOD CHIEF ENGINEER, HYDROLOGY, HOD COMMISSIONER, KRISHNA BASIN

Demand	Department
	<p>COMMISSIONER, PLANING AND DEVELOPMENT OF GODAVARI BASIN</p> <p>CHIEF ENGINEER (PROJECTS), NORTH COASTAL DISTRICTS</p> <p>CHIEF ENGINEER (PROJECTS), ONGOLU</p> <p>CHIEF ENGINEER (PROJECTS), ANANTAPUR</p> <p>CHIEF ENGINEER, INDIRA SAGAR POLAVARAM PROJECT</p> <p>CHIEF ENGINEER (PROJECTS), MAHABOBNAGAR</p> <p>PROJECT DIRECTOR, PPMU, APWSIP</p> <p>CHIEF ENGINEER, FFC (SRSP) &amp; SYP, LMD COLONY, KARIMNAGAR</p> <p>CHIEF ENGINEER (PROJECTS), IRRIGATION, KURNOOL</p> <p>COMMISSIONER, RESETTLEMENT AND REHABILITATION, HOD</p> <p>CHIEF ENGINEER, QUALITY CONTROL WING FOR ANDHRA REGION</p> <p>CHIEF ENGINEER, QUALITY CONTROL WING FOR TELANGANA REGION</p> <p>CHIEF ENGINEER, QUALITY CONTROL WING FOR RAYALASEEMA REGION</p> <p>CHIEF ENGINEER, DR. B.R. AMBEDKAR PRANAHITA-CHEVELLA SUJALA SRAVANTHI</p> <p>CHIEF ENGINEER, RAJIV SAGAR, INDIRA SAGAR LIFT IRRIGATION SCHEME &amp; DUMMUGUDEM-NAGARJUNA SAGAR PROJECT TAIL POND, KHAMMAM</p> <p>CHIEF ENGINEER, MODERNISATION</p> <p>CHIEF ENGINEER, CWC CLEARANCE AND AIBP ASSISTANCE, HOD</p> <p>DIRECTOR, GODAVARI BASIN</p> <p>CHIEF ENGINEER, GODAVARI DELTA SYSTEM, DOWLAISWARAM</p> <p>CHIEF ENGINEER, KRISHNA DELTA SYSTEM, VIJAYAWADA</p>
XXXIV-MINOR IRRIGATION	<p>IRRIGATION &amp; COMMAND AREA DEVELOPMENT, SECRETARIAT DEPARTMENT</p> <p>COMMISSIONER, COMMAND AREA DEVELOPMENT AUTHORITY, HOD</p> <p>DIRECTOR, GROUND WATER DEPARTMENT, HOD</p> <p>CHIEF ENGINEER, MINOR IRRIGATION, HOD</p>
XXXV-ENERGY	<p>ENERGY,SECRETARIAT DEPARTMENT</p> <p>CHIEF ELECTRICAL INSPECTOR TO GOVERNMENT, HOD</p> <p>CHIEF ENGINEER, ELECTRICAL GENERATION, HOD</p> <p>BOILERS, HOD</p>

<b>Demand</b>	<b>Department</b>
XXXVI-INDUSTRIES AND COMMERCE	INFRASTRUCTURE AND INVESTMENT DEPARTMENT INDUSTRIES AND COMMERCE, SECRETARIAT DEPARTMENT INDUSTRIES, HOD HANDLOOMS & TEXTILES, HOD MINES AND GEOLOGY, HOD SUGAR CANE COMMISSIONER, HOD COMMERCE AND EXPORT PROMOTION, HOD CHAIRMAN, INFRASTRUCTURE AUTHORITY
XXXVII-TOURISM, ART AND CULTURE	YOUTH ADVANCEMENT, TOURISM AND CULTURE, SECRETARIAT DEPARTMENT CULTURAL AFFAIRS TOURISM ARCHAEOLOGY & MUSEUMS, HOD
XXXVIII-CIVIL SUPPLIES ADMINISTRATION	FOOD & CIVIL SUPPLIES, SECRETARIAT DEPARTMENT  CIVIL SUPPLIES, HOD LEGAL METROLOGY A.P. STATE CONSUMER DISPUTES REDRESSAL COMMISSION
XXXIX-INFORMATION TECHNOLOGY AND COMMUNICATIONS	INFORMATION TECHNOLOGY & COMMUNICATIONS, SECRETARIAT DEPARTMENT  DIRECTOR, ELECTRONICALLY DELIVERABLE SERVICES, HOD
XL-PUBLIC ENTERPRISES	PUBLIC ENTERPRISES, SECRETARIAT DEPARTMENT

## **APPENDIX – IX**

*(see paragraph 13.19.5)*

*(G.O.Ms.No.135, Finance & Planning (FW: BG) Department, dated 20-9-2000)*

### **Approval of Plan Schemes:**

2. In the reference first cited, instructions had been issued for sanctions and releases of funds under Plan Schemes for pending bills of previous year as well as fresh sanctions for the current year, pending approval of the final budget. Now that the final budget has been presented to the Legislative Assembly and the outlays are known to the departments for each of their schemes, it is considered desirable to dispense with the procedure of convening the Departmental Clearance Committees and PPACs for the current year. In stead, the HODs and Administrative Secretaries are requested to submit proposals to the Finance Department in the following manner.

- (i) The proposals relating to State Plan Schemes, Matching State Share of Centrally Sponsored Schemes and Centrally Sponsored Schemes shall be first sent to Planning Department for their recommendation in the first instance before they are referred to Finance & Planning (FW) Department for concurrence.
- (ii) The proposals relating to Tenth/Eleventh Finance Commission shall be directly sent to the concerned Finance Commission Section under Secretary (R&E) in Finance & Planning (FW) Department for their scrutiny and concurrence.
- (iii) The proposals in respect of Externally Aided Projects shall initially be referred to Finance & Planning (PMU) Department for their scrutiny and concurrence.
- (iv) The proposals relating to AIBP/RIDF Schemes shall be directly sent to the concerned EBS Sections in Finance & Planning (FW) Department for their scrutiny and concurrence.
- (v) All other individual proposals not covered by the above categories shall be sent to the concerned EBS section in Finance & Planning (FW) Department for their scrutiny and concurrence.

### **Formats for Submission of Proposals**

3. (i) In order to facilitate proper examination of the proposals in the administrative department and the Finance. & Planning Departments, it is considered desirable that the Heads of\_ Departments give full details of the budget provisions, expenditure incurred, utilization certificates. and reimbursements etc. in a routine and regular manner. All the Departments of the Secretariat are, therefore, requested to furnish information in the proformae enclosed herewith to the Finance

& Planning (FW) Department/Planning Department for issue of sanctions as well as release of funds under Plan Schemes. Format I is a checklist for submission of proposals for sanction/ release of funds for Plan Schemes.

- (ii) **Continuation of Staff under Plan Schemes:** In the reference fourth cited, orders were issued regarding payment of salaries to the staff working under Plan Schemes, pending continuation of plan schemes. Now since the procedure for convening the DCCs and PPACs has been dispensed with for the current year, the Departments of the Secretariat are requested to send proposals for continuation of the staff under plan schemes to either Planning Department or Finance Department, as the case may be, as per the procedure prescribed for sanction of plan schemes in para 2 above. All Departments of Secretariat are requested to ensure that full details are given as per the check list prescribed in format - II, enclosed to this order, to facilitate early clearance of the proposal.

### **Delegation of administrative and financial powers to Heads of Departments**

4. Once the scheme is approved and government order sanctioning the same is issued, it will be left to the Heads of Department to distribute the authorized amounts amongst districts and other Unit Officers/DDOs. The Heads of Departments shall furnish the distribution statements to the Director of Treasuries & Accounts to obtain treasury authorizations as per existing procedure. Government is separately issuing orders enhancing the administrative and financial powers to the Heads of Departments to incur expenditures within the budget authorizations under Plan and Non-Plan Schemes.

### **Non-Plan Expenditure**

5. In the reference second cited, instructions had been issued for sanction of schemes and release of funds for Non-Plan Schemes pending approval of the final budget for 2000-01. Once the budget is approved, the normal procedure of budget authorization and release of funds for Non-Plan Schemes shall come into force. The following guidelines shall be followed by all Heads of Departments/Unit Offices/Drawing.& Disbursing Officers.

- (i) After the budget is passed by the Legislature, each Head of the Department' shall distribute the approved Noh-salary O&M outlays under each sub head to all the concerned Heads of Units/DDOs under their control as per their needs and submit distribution statements to the Director of Treasuries & Accounts for issue of budget authorization orders.
- (ii) While distributing the allocations among various officers under their control, all HODs shall ensure that all pending bills and other pending



commitments are fully met on the highest priority. It shall be the responsibility of each Head of the Office to ensure that all the pending bills are paid off at the earliest. Each one of the Heads of Office/DDOs shall also be personally responsible to ensure that no future commitments are contracted by his Office/Unit, which are beyond the budgetary allocation under each head for the year.

### **Approval of Non-Plan Schemes**

6. (i) Mostly Heads of Departments and Heads of Units/DDOs are already authorized to incur expenditure under Non-Plan as per existing delegations. However, even Non-Plan expenditure under certain schemes needs to be approved at government level for release of funds. In all such cases, the Departments of Secretariat are requested to furnish the proposals with full information in Format III annexed to this order to the concerned EBS Section in Finance Department for their scrutiny and concurrence.
- (ii) Continuation of Staff under Non-Plan: In the reference third cited, orders were issued for further continuation of temporary posts under Non-Plan upto 28.2.2001 subject to completing the process of conducting meeting of Implementation Committees and finalizing their recommendations before 31.1.2001. All the Departments are requested to note that under no circumstances, further continuation of temporary posts would be accorded until and unless the concerned Implementation Committees of the Departments finalize their recommendations and files are sent to the Finance Department for concurrence before 28.2.2001. The proposals regarding continuation of temporary posts under Non-Plan along with the recommendations of the Implementation Committee may be sent to Finance Department in the Format II with detailed justification.

### **Grants-in-Aid towards Salaries**

7. Orders were also issued in the reference 5th cited in which Director of Treasures and Accounts has been permitted to issue Authorization under 090/091 grant-in-aid towards salaries based on the provisions available in the budget without Government orders as per the existing procedure in vogue in respect of the following Institutions.

- i. Private-aided Schools
- ii. Private aided Colleges
- iii. A.P. Residential Educational Society
- iv. A.P. Social Welfare Residential Educational Society
- v. A.P. Tribal Welfare Residential Educational Society

8. In respect of all other grant-in-aid institutions except those mentioned above, the departments are requested to send the proposals to the Planning/Finance

Department through their administrative department for the concurrence duly filling the Formats I & III depending upon whether the expenditure is to be booked under Plan or Non-Plan.

9. Government has also issued orders in the reference 6th above cited that bills relating to the salaries of teachers working in Panchayati Raj and Municipal Bodies will be admitted without insisting on issue of G.O. by administrative department of the Secretariat and budgetary authorization. In other words, existing orders on procedure for drawal of salaries relating to teachers working in Panchayati Raj and Municipal Schools shall hold good.

### **Maintenance Expenditure**

10. It has been decided that the maintenance of all Government buildings shall be decentralized to respective departments. The Chief Engineer (Buildings) of R&B Department shall only maintain the Secretariat, BRK Bhavan, Legislative Assembly, High Court and other Judiciary buildings, Ministers residences and all residential quarters in the State. Accordingly, budgetary allocations under '170 Minor Works' and '180 Maintenance' have been separately provided for each department. Provisions under these heads shall not be allowed to be diverted to any other head. All HODs are requested to ensure that these provisions are distributed under the four sub heads - Headquarters, Regional Offices, District Offices and Other Offices - in proportion to the actual plinth area of government offices/buildings under their control.

11. For Secretariat, Legislative Assembly buildings and AP High Court and other judicial buildings, the budget is provided under the General Administration Department, Legislature Secretariat and AP High Court respectively. These buildings will be maintained by R&B Department only. However, the administrative sanction of the works will be given by these administrative departments, but the LOC will be issued by the Finance Department on requisition by the Secretary, GAD for Secretariat buildings, by the Secretary Legislature for Legislative Assembly buildings and by Secretary, Law & Legislature for the AP High Court and other judicial buildings subject to quarterly control and budget control. The Chief Engineer (Buildings) will be authorized to operate the head of account of GAD, Legislature and AP High Court to the extent of LOC issued and render the accounts to concerned administrative departments. In all those cases where the buildings are still with Chief Engineer, Buildings for maintenance, the usual procedure of LOC shall continue to be applicable.

12. In order to facilitate proper and timely maintenance of their buildings, all HODs/Heads of Offices/DDOs, other than those mentioned in the preceding para, are authorized to requisition the services of the R&B (Buildings) Engineers in their respective areas or use any other engineering staff under their control or available in the town. In the alternative, since these are likely to be small maintenance works, they are also authorized to get the estimates prepared from any private engineers and engage private contractors for the job subject to following usual norms and

procedures of competitive bids through tender process and payment after check measurement.

### **Economy Measures**

13. One of the critical requirements of Zero Based Budgeting was to effect economy and efficiency of expenditure under Plan and Non-Plan Schemes. In order to ensure compliance with this requirement, the following guidelines are hereby prescribed for all Secretariat Departments and Heads of Departments to follow:

- (i) **Utility Payments:** Each Head of the Department/Office/Unit / DDO shall be personally responsible for utmost economy under all sub heads under 'Non-salary O&M'. They should take special care to ensure that utility charges for water supply, electricity, telephones, petrol, rents etc., are calculated in accordance with the latest rates in mind and adequate/provision is made to meet their pending and future liabilities. The treasury officers are hereby instructed to ensure that no payments are authorized over and above the budget provisions. Any expenditure more than the budgetary allocation under any sub head shall be recovered from the person who authorizes such excess expenditure as identified by the Head of Office DDO. If the Head of Office/DDO fails to identify such a person and effect recovery, the HOD shall recover the excess amount from the Head of Office/DDO concerned.
- (ii) It has also been noticed that utility payments to statutory authorities and rents etc. to landlords are delayed for months and years and allowed to accumulate as arrears, which are then claimed as pending bills. The Government views this practice with great concern. It is, therefore, ordered that each Head of Office shall be personally held responsible for timely and full payments on these items. Non-payment beyond three months shall be viewed as gross negligence and disciplinary action shall be initiated against those responsible. In any case, if the bills are not settled within the financial year, the budget provision will lapse and no carry forward of the liability shall be allowed. Accordingly, the Head of the Department shall issue proceedings for summary recovery of the pending liability from the pay bill of the officer concerned and the treasury officer shall effect such recovery and report to the HOD.
- (iii) **Energy Saving Devices:** With the recent hike in power tariff, it has become imperative that government offices use utmost economy to consumption of energy. All HODs/Heads of Offices are required to keep personal check on power consumption and also make sure that power bills are paid promptly and fully. Recent improvements in technology have brought out many energy-saving devices that are based on conventional as well as non-conventional sources. All HODs are requested to take up a phased program to convert their offices to low-energy consumption devices and effect savings in their energy charges

in the long run. They may get in touch with the Energy Department who is being asked to provide the necessary information and guidance in this regard.

- (iv) **Personal Entitlements:** Government has already fixed certain norms for official and residential telephones, monthly petrol/diesel quotas, hiring of vehicles, vehicle maintenance, newspapers/magazines etc. for different categories of officers. It has been noticed that many officers have been routinely claiming higher expenses than their entitlements under the pretext of "official purpose". It has now been decided that government shall not accept responsibility for excess expenditure Under any circumstances. The concerned officers shall have to pay the excess expenditure from their pocket in the first instance. They would be free to make out a case for the excess expenditure on account of official use and if agreed to by the competent authority, claim reimbursement to the extent admissible.
- (v) In order to meet any unforeseen contingencies, each HOD or Head of Office/Unit/DDO is requested to set apart 5-10% of their Plan/Non-plan non-salary outlay as reserve under their own control which could be utilized to cover such unforeseen expenditure. In the event of this amount not being set apart or having been exhausted during the course of the year, the concerned departments will either have to re-appropriate from some other sub head or simply defer the expenditure to the next year. It should be clearly understood by all HODs that no proposals for additional allocations shall be entertained by the Finance Department under any circumstances.

**CHECK LIST FOR SUBMISSION OF PROPOSALS FOR SANCTION/RELEASE  
OF FUNDS UNDER PLAN**

*(Rs. in lakhs)*

1.	Name of the Secretariat Department			
2.	Name of the Head of the Department			
3.	File No. of the Secretariat Department			
4.	Name of the Scheme			
5.	Type of the Scheme (EAP/CSS/SS/AIBP/ RIDF)			
6.	Whether a New Scheme of this year or Ongoing Scheme			
7.	Whether budgeted or unbudgeted			
8.	If budgeted, budget provision with full details: (Major Head/Sub-Major Head/ Minor Head/ Sub-Head)	Central/ EAP/ AIBP/ RIDF/ Shares	State Share	Total
9.	Cumulative releases (Head of Account-wise)			
10.	Balance available in the Budget (Head of Account-wise)			
11.	Expenditure incurred (Head of Account-wise)			
12.	Physical Achievement			
	a. Unit			
	b. Target			
	c. Achievement			
13.	If unbudgeted, from which Head of Account to be reappropriated			
	a. Scheme Name			
	b. Head of Account			
14.	Amount Released by GOI, Lr. No. & Date			
15.	Date of adjustment to the State Head of Account			
16.	Amount for which utilization Certificates/ Reimbursement claims sent to GOI			
17.	Amount requested for release (Head of Account wise)			

18.	Detailed justification of the proposal by Administrative Department with particular reference to the Schemes' contribution towards development indicators			
19.	Signature of the Head of the Department			
20.	Recommendations of and Signature of Special Chief Secretary/Principal Secretary/ Secretary of the Secretariat Department			
21.	Amount recommended for sanction by Planning Department with their U.O. No.			
22.	Signature of the Secretary, Planning Department			
23.	Final Approval by the Finance Department (Head of Account wise)			
24.	Signature of the Principal Secretary/ Secretary, Finance Department			
25.	U.O. No. of Finance Department			

**CHECK LIST FOR SUBMISSION OF PROPOSALS FOR CONTINUATION OF  
STAFF UNDER PLAN/NON-PLAN**

1.	Name of the Scheme under which the posts are created					
2.	Posts proposed to be further continued					
Sl. No.	Designation	No. of Posts		Current Status		No. of Posts proposed for further continuation
		Sanctioned	Continued so far	Filled in Posts	Vacant Posts	
3.	G.O. in which the posts were created					
4.	G.O. in which posts were last continued					
5.	Actual expenditure during 1999-2000					
6.	Balance of works to be completed under the Scheme (if any)					
7.	Period upto which the posts are to be continued					
8.	Whether there is any advantage by continuing the posts as temporary such as tapping GOI funds under Plan Scheme etc.					
9.	Recommendation of the Implementation Committee in case of Non-Plan posts					
10.	Remarks					

Signature of the Head of the Department

Signature of the Special Chief Secretary/Principal Secretary/Secretary of the Secretariat Department

Signature of the Secretary, Planning Department

Signature of the Principal Secretary/Secretary, Finance Department

**CHECK LIST FOR SUBMISSION OF PROPOSALS FOR SANCTION/RELEASE  
OF FUNDS UNDER NON-PLAN**

1.	Name of the Secretariat Department	
2.	Name of the Head of the Department	
3.	File No. of the Secretariat Department	
4.	Previous File No./U.O. No. of Finance Department	
5.	Description of the Proposal/Scheme	
6.	Whether New or ongoing proposal/scheme	
7.	Budget Provision with Full details	
	Amount	
	Head of Account	
8.	Amount released so far (mention G.O.No. & U.O.No. of Finance Department)	
9.	Incase of unbudgeted scheme	
(a)	Scheme name, amount and the Head of Account from which amount to be reappropriated for the proposed scheme	
	(i) Budget provision available after releases if any made previously under the head from which to be reappropriated	
	(ii) Balance Budget provision available after proposed reappropriation	
(b)	By sanction of advance from the Contingency Fund, in case the payment has to be made as per court order/ arbitration award	
10.	Detail justification for the scheme/proposal with specific reference to its contribution to prescribed development indicators of the Administrative Department	
11.	Remarks	



**APPENDIX-X**  
*(See Paragraph 3.27.1)*

**SECTORAL AND MAJOR HEAD CLASSIFICATION OF GOVERNMENT  
TRANSACTIONS PRESCRIBED BY THE COMPTROLLER GENERAL OF  
ACCOUNTS**

**CONSOLIDATED FUND-REVENUE  
RECEIPT HEADS (Revenue Account)**

**A. Tax Revenue**

**(a) Taxes on Income and Expenditure**

- 0020 Corporation Tax
- 0021 Taxes on Income other than Corporation Tax
- 0022 Taxes on Agricultural Income
- 0023 Hotel Receipts Tax
- 0024 Interest Tax
- 0028 Other Taxes on Income and Expenditure

**(b) Taxes On Property and Capital Transactions**

- 0029 Land Revenue
- 0030 Stamps and Registration Fees
- 0031 Estate Duty
- 0032 Taxes on Wealth
- 0033 Gift Tax
- 0035 Taxes on Immovable Property other than Agricultural Land

**(c) Taxes on Commodities and Services**

- 0037 Customs
- 0038 Union Excise Duties
- 0039 State Excise
- 0040 Taxes on Sales, Trade etc.
- 0041 Taxes on Vehicles
- 0042 Taxes on Goods and Passengers
- 0043 Taxes and Duties on Electricity
- 0045 Other Taxes and Duties on Commodities and Services

**B. Non-Tax Revenue**

**(a) Fiscal Services**

- 0046 Currency, Coinage and Mint
- 0047 Other Fiscal Services

**(b) Interest Receipts, Dividends and Profits**

- 0049 Interest Receipts
- 0050 Dividends and Profits

(c) Other Non-Tax. Revenue

(i) General Services

- 0051 Public Service Commission
- 0055 Police
- 0056 Jails
- 0057 Supplies and Disposals
- 0058 Stationery and Printing
- 0059 Public Works
- 0070 Other Administrative Services
- 0071 Contributions and Recoveries towards Pension and other Retirement benefits
- 0075 Miscellaneous General Services
- 0076 Defence Services-Army
- 0077 Defence Services-Navy
- 0078 Defence Services-Air Force
- 0079 Defence-Ordinance Factories

(ii) Social Services

- 0202 Education, Sports, Art and Culture
- 0210 Medical and Public Health
- 0211 Family Welfare
- 0215 Water Supply and Sanitation
- 0216 Housing
- 0217 Urban Development
- 0220 Information and Publicity
- 0221 Broadcasting
- 0230 Labour and Employment
- 0235 Social Security and Welfare
- 0250 Other Social Services

(iii) Economic Services

- 0401 Crop Husbandry
- 0403 Animal Husbandry
- 0404 Dairy Development
- 0405 Fisheries
- 0406 Forestry and Wild Life
- 0407 Plantations
- 0408 Food Storage and Warehousing
- 0415 Agricultural-Research and Education
- 0425 Co-operation
- 0435 Other Agricultural Programmes
- 0506 Land Reforms
- 0515 Other Rural development Programmes
- 0516 Other Special Area Programmes
- 0551 Hill Areas
- 0575 Other Special Areas Programmes
- 0700 Major Irrigation
- 0701 Medium Irrigation

- 0702 Minor Irrigation
- 0801 Power
- 0802 Petroleum
- 0803 Coal and Lignite
- 0810 Non-Conventional Sources of Energy
- 0851 Village and Small Industries
- 0852 Industries
- 0853 Non-Ferrous Mining and Metallurgical Industries
- 0875 Other Industries
- 1001 Indian Railways-Miscellaneous Receipts
- 1002 Indian Railways-Commercial Lines-Revenue Receipts.
- 1003 Indian Railways-Strategic Lines-Revenue Receipts
- 1051 Ports and Light Houses
- 1052 Shipping
- 1053 Civil Aviation
- 1054 Roads and Bridges
- 1055 Road Transport
- 1056 Inland Water Transport
- 1075 Other Transport Services
- 1201 Postal Receipts
- 1225 Tele-communication Receipts
- 1275 Other Communication Services
- 1401 Atomic Energy Research
- 1425 Other Scientific Research
- 1452 Tourism
- 1453 Foreign Trade and Export Promotion
- 1456 Civil Supplies
- 1475 Other General Economic Services

### **C. Grants-in-aid and Contributions**

- 1601 Grants-in-aid from Central Government
- 1605 External Grant Assistance
- 1606 Aid Material and Equipment

## **EXPENDITURE HEADS (Revenue Account)**

### **A. GENERAL SERVICES**

#### (a) Organs of State

- 2011 Parliament/State/Union Territory Legislatures
- 2012 President/Vice-President Governor/ Administrator of Union Territories
- 2013 Council of Ministers
- 2014 Administration of Justice
- 2015 Elections
- 2016 Audit

#### (b) Fiscal Services

- (i) Collection of Taxes on Income and Expenditure
- 2020 Collection of Taxes on Income and Expenditure

- (ii) Collection of Taxes on Property and Capital Transactions
  - 2029 Land Revenue
  - 2030 Stamps and Registration
  - 2031 Collection of Estate Duty, Taxes on Wealth and Gift Tax
  - 2035 Collection of other Taxes on Property and Capital Transactions
  
- (iii) Collection of Taxes on Commodities and Services
  - 2037 Customs
  - 2038 Union Excise Duties
  - 2039 State Excise
  - 2040 Taxes on Sales, Trade etc.
  - 2041 Taxes on Vehicles
  - 2045 Other Taxes and Duties on Commodities and Services
  
- (iv) Other Fiscal Services
  - 2046 Currency, Coinage and Mint
  - 2047 Other Fiscal Services
  
- (c) Interest Payment and Servicing of Debt
  - 2048 Appropriation for reduction or avoidance of Debt
  - 2049 Interest Payments
- (d) Administrative Services
  - 2051 Public Service Commission
  - 2052 Secretariat-General Services
  - 2053 District Administration
  - 2054 Treasury and Accounts Administration
  - 2055 Police
  - 2056 Jails
  - 2057 Supplies and Disposals
  - 2058 Stationery and Printing
  - 2059 Public Works
  - 2061 External Affairs
  - 2070 Other Administrative Services
  
- (e) Pensions and Miscellaneous General Services
  - 2071 Pensions and other Retirement Benefits
  - 2075 Miscellaneous General Services
  
- (f) Defence Services
  - 2076 Defence Services-Army
  - 2077 Defence Services-Navy
  - 2078 Defence Services-Air Force
  - 2079 Defence Services-Ordnance Factories

## **B. SOCIAL SERVICES**

(a) Education, Sports; Art and Culture

- 2202 General Education
- 2203 Technical Education
- 2204 Sports and Youth Services
- 2205 Art and Culture

(b) Health and Family Welfare

- 2210 Medical and Public health
- 2211 Family Welfare

(c) Water Supply, Sanitation, Housing and Urban Development

- 2215 Water Supply and Sanitation
- 2216 Housing
- 2217 Urban Development

(d) Information and Broadcasting

- 2220 Information and Publicity
- 2221 Broadcasting

(e) Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes:

- 2225 Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes

(f) Labour and Labour Welfare

- 2230 Labour and Employment

(g) Social Welfare and Nutrition

- 2235 Social Security and Welfare
- 2236 Nutrition
- 2245 Relief on account of Natural Calamities

(h) Others

- 2250 Other Social Services
- 2251 Secretariat -Social Services

## **C. ECONOMIC SERVICES**

(a) Agriculture and Allied Activities

- 2401 Crop Husbandry
- 2402 Soil and Water Conservation
- 2403 Animal Husbandry
- 2404 Dairy Development
- 2405 Fisheries
- 2406 Forestry and Wild Life

- 2407 Plantations
- 2408 Food, Storage and Warehousing
- 2415 Agricultural Research and Education
- 2416 Agricultural Financial Institutions
- 2425 Co-operation
- 2435 Other Agricultural Programmes

(b) Rural Development

- 2501 Special Programmes for Rural Development
- 2505 Rural Employment
- 2506 Land Reforms
- 2515 Other Rural Development Programmes

(c) Special Area Programmes

- 2551 Hill Areas
- 2552 North Eastern Areas
- 2553 MPs Local Area Development Scheme
- 2575 Other Special Area Programmes

(d) Irrigation and Flood Control

- 2700 Major Irrigation
- 2701 Medium Irrigation
- 2702 Minor Irrigation
- 2705 Command Area Development
- 2711 Flood Control and Drainage

(e) Energy

- 2801 Power
- 2802 Petroleum
- 2803 Coal and Lignite
- 2810 Non-Conventional Sources of Energy
- 2820 Energy Co-ordination and Development

(f) Industry and Minerals

- 2851 Village and Small Industries
- 2852 Industries
- 2853 Non-ferrous Mining and Metallurgical Industries
- 2875 Other Industries
- 2885 Other outlays on Industries and Minerals

(g) Transport

- 3001 Indian Railways-Policy Formulation Direction, Research and other Miscellaneous Organization
- 3002 Indian Railways - Commercial Lines Working Expenses
- 3003 Indian Railways - Strategic Lines - Working Expenses"
- 3004 Indian Railways - Open Line Works (Revenues)
- 3005 Payments to General Revenues
- 3006 Appropriation from Railway Surplus

- 3007 Repayment of Loans taken from General Revenue
- 3025 Payment towards amortizations of over capitalisation
- 3051 Ports and Light Houses
- 3052 Shipping
- 3053 Civil Aviation
- 3054 Roads and Bridges
- 3055 Road Transport
- 3056 Inland Water Transport
- 3075 Other Transport Services

(h) Communications

- 3201 Postal Services
- 3225 Telecommunication Services
- 3230 Dividends to General Revenues
- 3231 Appropriations from Tele-communication Surplus
- 3232 Repayment of Loans taken from General Revenue  
Tele-communications
- 3252 Satellite Systems
- 3275 Other Communication Services

(i) Science, Technology and Environments

- 3401 Atomic Energy Research
- 3402 Space Research
- 3403 Oceanographic Research
- 3425 Other Scientific Research
- 3435 Ecology and Environment

(j) General Economic Services

- 3451 Secretariat - Economic Services
- 3452 Tourism
- 3453 Foreign Trade and Export Promotion
- 3454 Census Surveys and Statistics
- 3455 Meteorology
- 3456 Civil Supplies
- 3465 General Financial and Trading Institutions
- 3466 International Financial Institutions
- 3475 Other General Economic Services

D. GRANTS-IN-AID AND CONTRIBUTIONS

- 3601 Grants-in-aid to State Government
- 3602 Grants-in-aid to Union Territory Governments
- 3604 Compensation and Assignments to Local Bodies and  
Panchayati Raj Institutions
- 3605 Technical and Economic Co-operation with other Countries
- 3606 Aid Materials and Equipments

**CONSOLIDATED FUND-CAPITAL PUBLIC DEBT, LOANS, ETC.  
RECEIPT HEADS (Capital Account)**

4000 Miscellaneous Capital Receipts

**Expenditure HEADS (Capital Account)**

**A. CAPITAL ACCOUNT OF GENERAL SERVICES**

4046 Capital Outlay on Currency, Coinage and Mint  
4047 Capital Outlay on Other Fiscal Services  
4055 Capital Outlay on Police  
4058 Capital Outlay on Stationery and Printing  
4059 Capital Outlay on Public Works  
4070 Capital Outlay on Other Administrative Services  
4075 Capital Outlay on Miscellaneous General Services  
4076 Capital Outlay on Defence Services

**B. CAPITAL ACCOUNT OF SOCIAL SERVICES**

- (a) Capital Account of Education, Sports, Art and Culture  
4202 Capital Outlay on Education, Sports, Art and Culture
- (b) Capital Account of Health and Family Welfare  
4210 Capital Outlay on Medical and Public Health  
4211 Capital Outlay on Family Welfare
- (c) Capital Account of Water Supply, Sanitation, Housing and Urban Development  
4215 Capital Outlay on Water Supply and Sanitation  
4216 Capital Outlay on Housing  
4217 Capital Outlay on Urban Development
- (d) Capital Account of Information and Broadcasting  
4220 Capital Outlay on Information and Publicity  
4221 Capital Outlay on Broadcasting
- (e) Welfare of Scheduled Castes, Scheduled Tribes and other Backward-Classes  
4225 Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and other Backwards Classes
- (g) Capital Account of Social Welfare and Nutrition  
4235 Capital Outlay on Social Security and Welfare  
4236 Capital Outlay on Nutrition
- (h) Capital Account of Others Social Services  
4250 Capital Outlay on Other Social Services



## **C. CAPITAL ACCOUNT OF ECONOMIC SERVICES**

- (a) Capital Account of Agriculture and Allied Activities
  - 4401 Capital Outlay on Crop Husbandry
  - 4402 Capital Outlay on Soil and Water Conservation
  - 4403 Capital Outlay on Animal Husbandry
  - 4404 Capital Outlay on Dairy Development
  - 4405 Capital Outlay on Fisheries
  - 4406 Capital Outlay on Forestry and Wild Life
  - 4407 Capital Outlay on Plantations
  - 4408 Capital Outlay on Food Storage and Warehousing
  - 4415 Capital Outlay on Agricultural Research and Education
  - 4416 Investments in Agricultural Financial Institutions
  - 4425 Capital Outlay on Co-operation
  - 4435 Capital Outlay on other Agricultural Programmes
  
- (b) Capital Account of Rural Development
  - 4515 Capital Outlay on Other Rural Development Programmes
  
- (c) Capital Account of Special Area Programmes
  - 4551 Capital Outlay on Hill Areas
  - 4552 Capital Outlay on North Eastern Areas
  - 4575 Capital Outlay on Other Special Area Programmes
  
- (d) Capital Account of Irrigation and Flood Control
  - 4700 Capital Outlay on Major Irrigation
  - 4701 Capital Outlay on Medium Irrigation
  - 4702 Capital Outlay on Minor Irrigation
  - 4705 Capital Outlay on Command Area Development
  - 4711 Capital Outlay on Flood Control Projects
  
- (e) Capital Account of Energy
  - 4801 Capital Outlay on Power Projects
  - 4802 Capital Outlay on Petroleum
  - 4803 Capital Outlay on Coal and Lignite
  - 4810 Capital Outlay on Non-Conventional Sources of Energy
  
- (f) Capital Account of Industry and Minerals
  - 4851 Capital Outlay on Village and Small Industries
  - 4852 Capital Outlay on Iron and Steel Industries
  - 4853 Capital Outlay on Non-Ferrous Mining and Metallurgical Industries
  - 4854 Capital Outlay on Cement and Non-Metallic Mineral Industries
  - 4855 Capital Outlay oil Fertilizer Industries
  - 4856 Capital Outlay on Petro-Chemical Industries
  - 4857 Capital Outlay on Chemicals and Pharmaceutical Industries
  - 4858 Capital Outlay on Engineering Industries
  - 4859 Capital Outlay on Tele-communication and Electronic Industries

- 4860 Capital Outlay on Consumer Industries
- 4861 Capital Outlay on Atomic Energy Industries
- 4875 Capital Outlay on Other Industries
- 4885 Other Capital Outlay on Industries and Minerals

(g) Capital Account of Transport

- 5002 Capital Outlay on Indian Railways Commercial Lines
- 5003 Capital Outlay on Indian Railways Strategic Lines
- 5051 Capital Outlay on Ports and Light Houses
- 5052 Capital Outlay on Shipping
- 5053 Capital Outlay on Civil Aviation
- 5054 Capital Outlay on Roads and Bridges
- 5055 Capital Outlay on Roads Transport
- 5056 Capital Outlay on Inland and Water Transport
- 5075 Capital Outlay on Other Transport Services

(h) Capital Account of Communication

- 5201 Capital Outlay on Postal Services
- 5225 Capital Outlay on Tele-communication Services
- 5252 Capital Outlay on Satellite System
- 5275 Capital Outlay on Other Communication Services

(i) Capital Account of Science Technology and Environment

- 5401 Capital Outlay on Atomic Energy Research
- 5402 Capital Outlay on Space Research
- 5403 Capital Outlay on Oceanographic Research
- 5425 Capital Outlay on Other Scientific and Environmental Research

(j) Capital Account of General Economic Services

- 5452 Capital Outlay on Tourism
- 5453 Capital Outlay on Foreign Trade and Export Promotion
- 5455 Capital Outlay on Meteorology
- 5465 Investments in General Financial and Trading Institutions
- 5466 Investments in International Financial Institutions
- 5475 Capital Outlay on Other General Economic Services

**D. GRANTS-N-AID AND CONTRIBUTIONS**

**E. PUBLIC DBBT**

- 6001 Internal Debt of Central Government
- 6002 External Debt
- 6003 Internal Debt of the State Government
- 6004 Loans and Advances from the Central Government
- 6005 External Debt – Suspense

**F. LOANS AND ADVANCES**

- 6075 Loans for Miscellaneous General Services
- 6202 Loans for Education, Sports, Art and Culture
- 6210 Loans for Medical and Public Health

6211 Loans for Family Welfare  
6215 Loans for Water Supply and Sanitation  
6216 Loans for Housing  
6217 Loans for Urban Development  
6220 Loans for Information and Publicity  
6225 Loans for Welfare of Scheduled Castes, Scheduled Tribes and  
Other Backward Classes  
6235 Loans for Social Security and Welfare  
6245 Loans for Relief on account of Natural Calamities  
6250 Loans for Other Social Services  
6401 Loans for Crop Husbandry  
6402 Loans for Soil and Water Conservation  
6403 Loans for Animal Husbandry  
6404 Loans for Dairy Development  
6405 Loans for Fisheries  
6406 Loans for Forestry and Wild Life  
6407 Loans for Plantations  
6408 Loans for Food Storage and Warehousing  
6416 Loans for Agricultural Financial Institutions  
6425 Loans for Co-operation  
6435 Loans for Other Agricultural Programmes  
6501 Loans for Special Programmes, for Rural Development  
6505 Loans for Rural Employment  
6506 Loans for Land Reforms  
6515 Loans for Other Rural Development Programmes  
6551 Loans for Hill Areas  
6552 Loans for North Eastern Areas,  
6575 Loans for Other Special Areas Programmes  
6700 Loans for Major Irrigation  
6701 Loans for Medium Irrigation  
6702 Loans for Minor Inigation  
6705 Loans for Command Area Development  
6711 Loans for Flood Control Projects  
6801 Loans for Power Projects  
6802 Loans for Petroleum  
6803 Loans for Coal and Lignite  
6810 Loans- for Non-Conventional Sources of Energy  
6851 Loans for Village and Small Industries  
6852 Loans for Iron and Steel Industries  
6853 Loans for Non-Ferrous Mining and Metallurgical Industries  
6854 Loans for Cement and Non-Metallic Mineral Industries  
6855 Loans for Fertiliser Industries  
6856 Loans for Petro-Chemical Industries  
6857 Loans for Chemical and Pharmaceutical Industries  
6858 Loans for Engineering Industries  
6859 Loans for Tele-communication and Electronic Industries  
6860 Loans for Consumer Industries  
6861 Loans for Atomic Energy Industries

- 6875 Loans for Other Industries
- 6885 Other Loans to Industries and Minerals
- 7002 Loans for Railways
- 7051 Loans for Ports and Light Houses
- 7052 Loans for Shipping
- 7053 Loans for Civil Aviation
- 7055 Loans for Road Transport
- 7056 Loans for Inland Water Transport
- 7075 Loans for Other Transport Services
- 7225 Loans for Tele-communication Services
- 7275 Loans for Other Communication Services
- 7425 Loans for Other Scientific Research
- 7452 Loans for Tourism
- 7453 Loans for Foreign Trade Export Promotion
- 7465 Loans for General Financial and Trading Institutions
- 7475 Loans for Other General Economic Services
- 7601 Loans and Advances to State Governments
- 7602 Loans and Advances to Union Territory Governments
- 7605 Advances to Foreign Governments
- 7610 Loans to Government Servants, etc.
- 7615 Miscellaneous Loans

**(G) INTER STATE Settlement**

- 7810 Inter State Settlement

**(H) TRANSFER TO CONTINGENCY FUND**

- 7999 Appropriation to the Contingency Fund

**CONTINGENCY FUND**

- 8000 Contingency Fund

**PUBLIC ACCOUNT**

**I. SMALL SAVINGS, PROVIDENT FUNDS, ETC.**

(a) National Small Savings Fund

- 8001 Savings Deposits
- 8002 Savings Certificate
- 8006 Public Provident Funds
- 8007 Investments of National Small Savings Fund

(b) State Provident Funds

- 8009 State Provident Funds

(c) Other Accounts

- 8010 Trusts and Endowments
- 8011 Insurance and Pension Funds
- 8012 Special Deposits and Accounts
- 8013 Other Deposits and Accounts

## **J. RESERVE FUNDS**

- (a) Reserve Funds bearing Interest
  - 8115 Depreciation/Renewal Reserve Fund
  - 8116 Revenue Reserve Funds
  - 8117 Development Funds
  - 8118 Capital Reserve Funds
  - 8119 Railway Safety Fund
  - 8121 General and Other Reserve Funds
  
- (b) Reserve Funds not bearing interest
  - 8222 Sinking Funds
  - 8223 Famine Relief Fund
  - 8224 Central Road Funds
  - 8225 Roads and Bridges Fund
  - 8226 Depreciation /Renewal Reserve Fund
  - 8228 Revenue Reserve Funds
  - 8229 Development and Welfare Funds
  - 8235 General and Other Reserve Funds

## **K. DEPOSITS AND ADVANCES**

- (a) Deposits bearing Interest
  - 8336 Civil Deposits
  - 8337 Deposits of Railways
  - 8338 Deposits of Local Funds
  - 8342 Other Deposits
  
- (b) Deposits not bearing Interest
  - 8443 Civil Deposits
  - 8444 Defence Deposits
  - 8445 Railway Deposits
  - 8446 Postal Deposits
  - 8447 Tele-communication Deposits
  - 8448 Deposits of Local Funds
  - 8449 Other Deposits
  - 8450 Balance Account of Union Territories
  - 8451 Bhopal Gas leak Disaster Relief Fund

- (c) Advances
  - 8550 Civil Advances
  - 8551 Defence Advances
  - 8552 Railways Advances
  - 8553 Postal Advances
  - 8554 Tele-communication Advances

## **L. SUSPENSE AND MISCELLANEOUS**

- (a) Coinage Accounts
  - 8656 Coinage Accounts

(b) Suspense

- 8658 Suspense Accounts
- 8659 Suspense Accounts (Defence)
- 8660 Suspense Accounts (Railways)
- 8661 Suspense Accounts (Postal)
- 8662 Suspense Accounts (Telecommunications)
- 8663 Accounting Adjustment Suspense

(c) Other Accounts

- 8670 Cheques and Bills
- 8671 Departmental Balances
- 8672 Permanent Cash imprest
- 8673 Cash Balance Investment Account
- 8674 Security deposits made by Government
- 8675 Deposits with Reserve Bank
- 8677 Remittances into Banks/Treasuries

(d) Accounts with Governments of Foreign Countries

- 8679 Accounts with Governments of other Countries

(e) Miscellaneous

- 8680 Miscellaneous Government Accounts

**M. REMITTANCES**

(a) Money orders and other Remittances

- 8781 Money orders
- 8782 Cash remittances and adjustments between officers rendering accounts to the same Accounts Officer
- 8785 Other Remittances

(I) Inter Government Adjustment Account

- 8786 Adjusting Account between Central and State Governments
- 8787 Adjusting Account with Railways
- 8788 Adjusting Account with Posts
- 8789 Adjusting Account with Defence
- 8790 Accounts with States etc. (Railways)
- 8791 Accounts with States etc. (Posts)
- 8792 Accounts with States etc.. (Defence)
- 8793 Inter State Suspense Account
- 8794 Accounts with the High Commissioner for India in United Kingdom
- 8795 Adjusting Account with Telecommunications

(c) Exchange Accounts

- 8797 Exchange Accounts

**N. CASH BALANCE**

- 8999 Cash Balance

## GENERAL DIRECTIONS

### 1 General

1.1 The minor heads prescribed under each major/sub-major head in this list and also permitted to be opened as detailed in the subsequent paragraphs of these directions may be divided into such subordinate heads (called 'sub-heads) as may be needed to suit the local requirement of each Government. The "sub-head of Classification denotes and identifies the schemes undertaken in pursuance of programmes represented by minor heads or components of a particular programme, if the programme does not have any scheme, but represents non-developmental expenditure or expenditure. of an administrative nature. The sub-heads should not be multiplied unnecessarily and new ones opened only when really necessary.

1.2 Formal approval/issue of amendments by Correction slips is not required for opening of new minor heads in the following circumstances:

- (a) In the cases specified in the subsequent paragraphs of these directions with nomenclature of the heads indicated therein (e.g.' Direction and Administration', "Other Expenditure" indicated in para 3.1 below).
- (b) In cases where mere guidelines are indicated in the column for Minor Heads' in this list, such as for Example "Each project will be a minor head" against the major head "2701/4701/6701" Medium Irrigation". However, for opening new minor heads in terms of foot-notes below major heads or otherwise, formal approval/issue of 'correction slips would be required.

### 2 Receipt Heads

2.1 The minor head "Services and Service Fees"(code 501') may be opened under the receipt major/sub-major heads, wherever it has not been provided, if necessary.

2.2 'Refunds of Revenue' shall as a general rule, be taken in reduction of the revenue Receipts "Deduct-Refunds" (code 900) may be opened as a minor head under the major/sub-major heads falling in the Sector "B.Non-Tax Revenue", unless it is not practicable to account for such refunds as sub-heads below the concerned programme minor heads under the relevant major/sub-major heads. This minor head may also be opened under the major/sub-major heads of the sector "C.Grants-in Aid and Contributions". In respect of major/sub-major heads falling under the sector "A. Tax Revenue", the head "Deduct-Refunds" should however be opened as a distinct subhead below the appropriate minor heads so that the net collection of each tax/Duty is readily ascertainable from the accounts. See, however, note below the major head "0037. Customs" for the account of "Deduct Refunds" and "Deduct-Drawbacks".

2.3. The minor head "Other Receipts" (code '800) may be opened under the receipt major/sub-major heads, Wherever it has not been provided. Inter alia the following sub-heads may be opened under this minor head:

- (i) Leave Salary Contributions
- (ii) Sale proceeds of dead-stock, waste paper and other articles, the cost of which was met from office expenses.

"The minor head 'Receipts Awaiting Transfer to other Minor Heads' (RAT) (Code '500') may be opened wherever necessary under the functional major/sub-major heads in the section Receipts Heads (Revenue Account) irrespective of whether the receipt would be subsequently transferred to the capital section or the Public Account. The transactions will be transferred to the final head of account by affording minus credit to the transitory head.

2.4. In addition to the minor heads prescribed under the major head "1601.Grants-in-Aid from Central Government", new minor heads, corresponding to programme minor heads in the Section "Expenditure Heads (Revenue Account) to which the assistance from Central government relates, may be opened in the same manner as indicated in Direction No.3.9 below.

### **3. Expenditure Heads (Revenue Account)**

3.1. The following minor heads, even where not specifically prescribed may be opened below the major/sub-major heads, wherever necessary.

- (a) "Direction and Administration (Code 001) (being placed as the first minor head)
- (b) "Other Expenditure"(code '800) (being placed as the last minor head) Where there is a separate establishment expenditure for "monitoring evaluation and statistics," the expenditure on such establishment may be distinctly recorded in accounts under a sub-head under "Direction and Administration" or other appropriate minor head as the case may be.
- (c) Assistance to Public Sector and other undertakings (Code '190').
- (d) Assistance to Municipal Corporation (Code '191').
- (e) Assistance to Municipalities/Municipal Councils (Code '192')
- (f) Assistance to Nagar Panchayats/Notified area committees are equivalent thereof (Code '193')
- (g) Training (Code '003')
- (h) Assistance to Zilla Prarishads/District level Panchayati (Code '196')
- (i) Assistance to Block Panchayatis/Intermediate level Panchayats (Code '197')
- (j) Assistance to Gram Panchayats (Code '198')
- (k) Assistance to Co-operatives (Code '195').
- (l) Assistance to Non-Government Institutions (Code '199').

**Note:-** The minor head "Direction and Administration" when required to be operated in irrigation, Roads and Bridges, Public Health etc. Division working



on P.W.D. pattern will record expenditure on Designs, Architecture; stores control etc." for which distinct sub head maybe opened.

Normally, the executing/agent Department incurring the expenditure, on receipt of approval/authorization etc., from the Functional Ministry/Department will directly operate the Budget head of the later and not debit the expenditure to 'PAO Suspense' or 'CSSA' as the case may be. If for any reason, it is not possible to follow this procedure, the expenditure incurred on behalf of other service department, will initially be debited in the budget grant of the executing department under a new minor head 'Expenditure Awaiting Transfer to other heads/Departments'(EAT), (Code '502'). This Minor head may be opened whenever necessary under the functional major/sub-major heads of the Department in the section 'Expenditure heads (Revenue Account), irrespective of whether the expenditure would be subsequently transferred to the Capital Section or the Public Account of the Department accounting for the transaction or the functional major head of the other Department on whose behalf the expenditure is incurred. On receipt of necessary details the transaction will be transferred to the relevant final heads of account in the books by making necessary adjustments in accounts. In case this minor head is operated for settling inter-departmental transactions, the same may be cleared on receipt of the amount from the other Department by affording minus debit to the transitory head during the same financial year which the transaction has appeared in account. This minor head may also be operated to accommodate expenditure on a new scheme pending opening of a new minor head therefore or for the transactions which are presently being classified under 'Unclassified Suspense' and transactions booked under 'Vouchers Suspense' wherever the vouchers are found wanting or are not readily susceptible of classification.

"Details of each Plan Scheme/Project, etc. or Non Plan Scheme/Programme, etc. as the case may be, shall be indicated at the sub-head level below the standard minor head 'Training'. Likewise, at the detailed head and object head levels, details of sub-schemes or activities and object of expenditure shall be indicated. In this schematic arrangement, care should be taken to avoid double provisioning/ budgeting and accounting of training expenditure- both under standard minor head 'Training' as well as establishment oriented minor heads such as 'Direction and Administration, etc.'

3.2. The minor head "International Co-operation" (code '798') may be opened under the functional major sub. major heads wherever necessary, to record the contributions to the international organizations related to specific functions (e.g. United Nations Children's' Emergency Fund (UNICEF), World Health Organization ('WHO'), International Labour Organisation (ILO), etc. A suitable sub. head indicating the name of the conference/meeting arranged by a Ministry/Department may be opened under this minor head wherever the expenditure thereon is not expected to justify opening of a separate minor

head. Where, however, the expenditure is estimated in a year is substantial (i.e. expected to be Rs.1 crore or more), a minor head titled "International Conference/Meeting"(code '790') may be opened below the functional major/sub-major head concerned. See also Note(I) below the major head "3605 - Technical and Economic Co-operation with other Countries".

3.3. If necessary the minor head with nomenclature "Irrecoverable Loans Written 'Off"(code '792') may be opened under the various functional major/sub-major heads depending upon the purposes for which the loans or advances were granted. Where however, the purpose cannot be identified with any functional major head the amount written off should be-adjusted under the minor head "Irrecoverable loans written off (code '795' ) below he major head "2075 -Miscellaneous General Services"." Loans to State Govt. written off may be adjusted under a distinct subhead of the same nomenclature below the minor head "Irrecoverable loans written off" under the major head '2075'.

3.4. The minor head "Transfer to/from Reserve Funds/Deposit Accounts"(code '797' ) may be opened -wherever necessary under the functional major/sub-major heads in the section" Expenditure Heads(Revenue Account). Under this minor head Transfers to/from' specific Reserve Funds and deposits accounts will appear as a distinct subhead with nomenclature "Transfers' to/..... (name of Reserve Fund/Deposit Account)", with a detailed head "Inter account transfer". The actual expenditure will be debited to the relevant programme minor head under the functional major head in the Revenue Section, Capital Section or Loan Section depending upon whether the expenditure is of a revenue, capital or loan nature. Amounts financed from the Reserve funds/Deposit Accounts in these cases will be-shown as a deduct entry under minor heads 'Deduct Amount met from name of the Reserve Fund /Deposit Account' below the minor head Transfers to! from Reserve Funds/Deposit Accounts with separate code say '902' etc., under the functional major, sub-major head in the Revenue, Capital or loan section where under the actual expenditure stands debited.

3.5. Whenever expenditure is recorded initially under a minor head below a major head, and either the whole or a portion of it is recoverable by debit to another minor head under the same or a different major head, the amount recovered is to be recorded under a distinct sub-head "Deduct amount transferred to (name of minor/major head) for this purpose.

3.6. The minor head "Suspense"(code 799) may be opened wherever necessary, only under those major heads, where expenditure on 'works' is involved, and where the public works System of accounts is adopted keeping in view the provisions of para 13.1.1 of the C.P.W.A. Code or similar provisions of States works Accounts Codes/Manuals. This minor head will have the following sub-heads, viz., (a) Stock (b) Miscellaneous works Advances and (c) Work Shop Suspense.

3.7. In respect of the departments, the accounts of which follow the public works System of Accounts, the minor head "Machinery and Equipment" (code '052) wherever provided will record expenditure on common Tools and plant acquired by the Divisions for executing works of a revenue or capital nature, and will have suitable sub-heads like "New Supplies", "Repairs and Carriage" etc.

3.8. "Tribal Area Sub-plan" (code '796') "Special Component Plan for Scheduled Caste" (Code 789) may be opened as minor heads below the functional major/sub-major heads wherever necessary.

3.9. In addition to minor heads codified below the major heads "3601. Grants-in-aid to State Governments" and "3602-Grants-in-Aid to Union Territory Governments", now minor head(s) may be opened corresponding to the programme minor heads in the Section "Expenditure Heads (Revenue Account)" to which the assistance can be related. For this purpose, the nomenclature of the minor head may indicate the function as per sub-major head or as per major head, in the absence of a sub-major head, on the revenue expenditure side followed by the programme minor head. For example "Adult Education - Rural Functional Literacy Programmes", "Crop Husbandry - Agricultural Engineering", "-Consumer Industries - Textiles" etc.- When the nomenclature of the sub-major head does not give an indication of the concerned function the nomenclature of the minor head will also indicate the name of the major head also within brackets after the sub-major head. For example "General (Medical & Public Health) - Health Statistics and Evaluation", "General (Nutrition). "Diet Surveys and Nutrition Planning" etc. Where it is not possible to identify the assistance with any programme distinctly, the minor head will indicate the relevant sub-major/major head as above followed by the words "Other Grants" (e.g.) "General-(Education) - Other Grants", "Crop Husbandry - Other Grants", etc. When the nomenclature of a new minor head to be opened cannot be fitted in any of the above pattern, advice of the C,G.A. should be sought. Please refer also to direction 6.5 for illustrations.

3.10. Recoveries of over - payments' whether made in cash or by short drawl from a bill during the same financial year in which such over payments were made, shall be recorded as reduction of expenditure under the concerned Service Heads. Recoveries of over payment to previous year(s) shall be recorded under distinct minor head "Deduct Recoveries of over payments (Code "911") below the concerned major/sub major head in the Appropriation Accounts. Refund of unspent balances of grant/contribution during the same financial year shall be recorded as reduction of expenditure under the concerned Grant-in-aid major or/Sub major head. However refund of grant/contribution in subsequent year(s) that are initially charged to the major head "3605 - Technical and Economic Cooperation with other countries etc., shall be adjusted under a distinct minor head "Deduct - Recoveries of unspent balance" (Code '912') below that major head. Similarly, refund of unspent Balance of grant-in-aid by State/Union Territory. Government in subsequent

year(s) shall be adjusted under a separate minor head 'deduct – Recovery of unspent balance of grant-in-aid from State/Union Territory Governments' (Code '913') below the major head. "3601 Grants-in-aid to State Governments" or "3602 Grants-in-aid to Union Territory Governments" as the case may be.

**Note:-** The investments made by Government of India in Nationalized Banks and subsequently being written down to adjust the losses incurred by banks, may be shown as 'Deduct Recoveries' below the line in the capital section.

#### **4. Expenditure Heads (Capital Account)**

4.1. The following minor heads even where not specifically prescribed may be opened below the major/sub Major head wherever necessary.

- (a) "Direction and Administration" (Code "001")
- (b) "Other Expenditure" (Code."800")

Note :- See note below Para 3.1

4.2. The 'Minor Head' Investments in public sector and other undertakings "(Code 190) for investment in equity shares etc may be opened where necessary if not specifically provided below the functional major/sub major heads of expenditure heads (Capital Account). The name of the Public Sector and other undertaking will appear as a sub-head below the minor head 'Investment in Cooperatives' (Code 195) depending upon the function of the cooperatives, could be opened as a minor head even if not specifically provided below the functional Major/Sub-major Heads, whenever necessary e.g. 'Dairy Co-operatives' could be opened below the major head "4404-Capital Outlay on Dairy Development" and "Labour Co-operatives" below the Major Head "4250-Capital Outlay on Other Social Services." Respectively. Each cooperative society will be a distinct sub-head below the above minor head.

Investments in the form of debentures should however be recorded under the relevant major head-in Section "F-Loans and Advances."

4.3. "Deduct - Receipts and Recoveries on Capital Account" (Code '901') may be opened wherever necessary, as a sub-head below the relevant minor heads under the various capital major/sub major heads where from the expenditure was initially incurred. Where such receipts and recoveries on capital account are not identifiable with any programme minor head, the same may be adjusted in accounts as a sub-head under "Other Expenditure", (Code "800") under the major/sub-major head. "

As an exception, recoveries (Sale Proceeds etc.) relating to schemes of Govt. trading where expenditure on bulk purchase and distribution of certain commodities is required to be shown in capital section of accounts, may be

shown under a distinct minor head "Deduct-Receipts and Recoveries on capital account" (Code 901) to be opened below the concerned major head.

4.4. The provisions in the directions 3.4,3.6 and 3.8 apply to "Expenditure Heads(Capital Account)" also. Please refer to direction 6.4 for illustrations.

4.5. Expenditure of a capital nature which is met from Reserve Funds/Deposit Accounts will be reflected under the relevant programme minor heads. Adjustment of expenditure against the Reserve funds/Deposit Accounts will be shown as a deduct entry under the minor head "Deduct amount met from Reserve Funds/Deposit Accounts," with code numbers 902 etc., under the functional major/sub major head in the manner indicated in para 3.4.

## **5. Departmentally run Commercial Undertakings and State Trading Schemes**

5.1. For departmentally run commercial undertakings and state trading schemes declared as commercial, a distinct minor head (Code 201' to '300') for each or a group of similar such undertakings or scheme as may be found convenient may be opened under the appropriate functional receipt/revenue expenditure (working expenses)/Capital expenditure respectively.

Revenue receipts from departmental Commercial Undertakings and State Trading Schemes declared Commercial may be recorded under suitable sub-heads as "Receipts from Sales", 'Other Receipts' under the minor head concerned.

Working expenses or revenue expenditure may be recorded under suitable sub-heads such as "Management", "Operation and Maintenance", "Renewals & Replacement, "Machinery and Equipment, "Other Expenditure", "interest on Capital", "Suspense", "Contributions to Funds" with suitable detailed heads there under.

5.2. For State Trading Schemes not declared as commercial, distinct sub-heads for each or a group of similar such-schemes as may be found convenient, may be opened under the relevant programme minor head below the appropriate revenue functional receipt/expenditure major/sub-major heads. If, however, it is decided to meet the expenditure on such trading scheme from capital, distinct sub-heads for each or a group of similar such schemes may be opened under the relevant minor head below the functional capital major/sub-major head. The receipts from such schemes will, however, be treated as reduction of capital expenditure under the relevant sub-heads. Where, however, it is not possible to identify the sub-heads, these receipts may be adjusted under a minor head-with the nomenclature "Deduct - Receipts & Recoveries on Capital Account" (Code '901').

5.3. In the case State Trading Schemes with revolving funds from an advance to be credited to a personal ledger account within the major head the additional sub-heads/detail heads (as the case may be) "Advances" and "Suspense" (Personal Deposits) may be opened.

## **6. Loans and Advances**

6.1. The following minor heads may be opened wherever necessary if not specifically provided below functional minor/sub-major heads in Loan Section.

- a) Loans to Public Sector and Other Undertakings (Code '190').
- b) Loans to Municipal Corporation (Code '191').
- c) Loans to Municipalities/Municipal Councils (Code '192').
- d) Loans to Nagar Panchayats/Notified Area Committees or equivalent thereof (Code '193').
- e) Loans to Voluntary Organisations (Code '194').
- f) Loans to Co-operatives (Code '195').
- g) Loans to Zilla Parishads/District Level Panchayats (Code '196').
- h) Loans to Block Panchayats/Intermediate Level Panchayats (Code '197').
- i) Loans to Gram Panchayats (Code '198').
- j) Loans to Trading and Other Non-Government Institutions (Code '199').

(For example "Loans to Fishermen's Co-operatives" could be opened below the major head "6045-Loans for Fisheries" and "Loans to Labour Co-operatives" below the major head "6250-Loans for other Social Services" with minor head code '195').

Each 'Public Sector and Other Undertakings', 'Municipal Corporation/Municipality/ Municipal Council/Nagar Panchayat/Intermediate Level Panchayat/Zilla Parishad/District Level Panchayat/Block Panchayat/Gram Panchayat', 'Voluntary Organisation' etc., will be a district sub-head below the respective minor heads. For cases not covered under the above minor heads, sub-heads may be opened under the relevant programme minor heads to indicate the schemes for which the loans are granted. The institution/organization(s) etc., to which loans are granted under each scheme will appear as detailed heads under the sub-heads concerned.

6.2. The minor head "Other Loans" (Code '800) wherever not specifically prescribed may be opened below the major/sub-major heads in the sector "F-Loans & Advances"- wherever necessary.

6.3. The directions contained in para 3.6 and 3.8 apply mutatis mutandis to functional major/sub-major heads in the Sector "F - Loans and Advances", wherever necessary.

6.4. Expenditure of a loan nature, which is met from Reserve Funds/Deposit accounts, will be reflected under the relevant programme minor heads.

Adjustment of expenditure against the Reserve Fund/Deposit Accounts will be shown as deduct entry under the minor head 'Deduct amount met from ..... (name of the Reserve Fund/Deposit Account) with code number 902 etc under the functional major/sub-major head it's the manner indicated in para 3.4.

6.5. In addition to minor heads codified below the major head "6004 - Loans and Advances from Central Government", "7601 - Loans and Advances to State Governments" and "7602-Loans and Advances to Union Territories Governments", new minor head(s) may be opened under them, corresponding to the programme in the section "Expenditure Heads (Revenue Account)", or "Expenditure Heads (Capital Account)" or 'F - Loans and Advances", depending upon the section under which the loan is intended to be utilized by the borrowing Government.

For this purpose, the nomenclature of the minor head may indicate the function as per the relevant sub-major head or as per major head in the absence of sub-major head(s) in the relevant section, followed by the programme minor head (e.g.)

- (i) Under Section - "Expenditure Heads (Revenue Account)". For exhibiting grant assistance for construction of affiliated colleges, nomenclature of the minor head will be "University and Higher Education - Assistance to non-Government Colleges and Institutes".
- (ii) Under Section - "Expenditure Heads (Capital Account)". For exhibiting assistance for purposes of investment in "State Apex Societies of Handlooms", nomenclature of the minor head will be 'Capital Outlay on Village and Small Industries - Handloom Industries.
- (iii) Under "F - Loans and Advances". For exhibiting loans for construction of hostels of affiliated colleges, nomenclature of the minor head will be "Loans for Education, Sports, Art and Culture - General Education -University and Higher Education".

When the nomenclature of the sub-major head does not-give an indication of the concerned function, the nomenclature of the minor head shall indicate the major heads also in bracket after the sub-major head (e.g.) "General - (Education) - Scholarships", "General - (Urban Development) - Assistance to Local Bodies/ Corporation/Urban Development Authorities/Town Improvement Boards, etc". Where it is not possible to identify the loans with any distinct programme head, the minor head will indicate the relevant major/sub-major head as above, followed by the words "Other Loans" (e.g.) "Special Education - Other Loans", "General (Education) - Other Loans", "Crop Husbandry' - Other Loans" etc.

## **7. Public Account**

7.1. Except in respect of certain cases, where "Reserve Funds" have been specifically provided for as distinct minor heads in the major heads falling. In the

sector "J. Reserve Funds", normally 'Reserve Funds' should be opened as sub-heads under the various minor heads below the major heads in this sector, whenever 'Reserve Funds' are required to be opened as sub-heads, necessary approval of the Controller General of Accounts should be obtained, who will consult the Comptroller & Auditor General of India for the purpose. However in some exceptional cases like "Depreciation/ Renewal Reserve Funds of Government Commercial Undertakings" etc., where creation of a Reserve Fund is obligatory under statutes or rules, the heads may be opened as sub-heads, without prior approval from the Controller General of Accounts but the fact of opening such heads should be brought to the notice of the Controller General of Accounts, Budget, Division of the Ministry of Finance for information.

Whenever such Reserve Funds or parts there of are invested, the investment account will appear as a distinct sub-head, below the sub-head relating to the Fund.

7.2. Minor heads in Public Account, which do not find place in the list of Major and Minor Heads of Account but are appearing in the Finance Accounts of the union/States upto to the end of 1986-87 would continue to be operated under the corresponding revised Major Heads from 1987-88 onwards till the balances are liquidated.

## **8. Coding Pattern**

### **Major Head**

A four digit Code has been allotted to the Major Head, the first digit indicating whether the Major Head is a Receipt Head or Revenue Expenditure Head, or Capital Expenditure Head or Loan Head. If the first digit is '0' or '1', the Head of Account will represent Revenue Receipt, '2' or '3' will represent Revenue Expenditure, '4' or '5' – Capital Expenditure, '6' or '7' Loan Head, (4000 for Capital Receipt) and '8' will represent Contingency Fund and Public Account.

Adding 2 to the first digit of the Revenue Receipt will give the number allotted to corresponding Revenue Expenditure Head, adding another 2 the Capital Expenditure Head and another 2 the Loan Head of Account, for Example: -

- 0401 Represents the Receipts Head for Crop Husbandry
- 2401 The Revenue Expenditure Head for Crop Husbandry
- 4401 Capital Outlay on Crop Husbandry
- 6401 Loans for Crop Husbandry

Such a pattern is however not relevant for those departments which are not operating capital loan heads of accounts; e.g. Department of Supply.

In a few cases, however, where Receipt/Expenditure is not heavy, certain Major Heads have been combined under a single number, the Major Heads themselves forming sub-Major heads under that number.



## Sub-Major Head

A two digit code has been allotted, the code starting from '01' under, each major head. Where no sub-major head exists it is allotted code '00'. Nomenclature 'General' has been allotted code '80' so that even after further sub-major heads are introduced the code for 'General' will continue to remain the last one.

Minor Heads These have been allotted a three digit code, the codes starting from '001' under each sub-major head (where there is no sub-major head). Codes from '001' to '100' and few codes 750' to '900' have been reserved for certain standard minor heads. For example, Code '001' always represents Direction and Administration. Non Standard Minor Heads have been allotted Codes from '101' in the Revenue Expenditure series and '201' in the Capital and Loan series, where the description under capital loan is the same as in the Revenue Expenditure Section, the code number for the minor head is the same as the one allotted in the Revenue Expenditure Section. Code numbers from '900' are always reserved for Deduct Receipt or Deduct Expenditure Heads.

The Code for 'Other Expenditure' is '800' while the codes for other grants/other schemes etc. where minor head 'Other Expenditure' also exists is kept as '600'. This has been done to ensure that the order in which the minor heads are codified is not disturbed when new minor heads are introduced.

The coding pattern for minor heads has been designed in such a way that in respect of certain minor heads having a common nomenclature under various Major/Sub-Major Heads, as far as possible, the same three digit code is adopted, a few illustration cases are given below. Computer Cell of the C.G.A.'s organisation should be consulted before any new code is allotted or existing code (at whatever level) is altered.

<b>Standard 3-digit code</b>	<b>Common nomenclature</b>
001	Direction & Administration
003	Training
004	Research/Research Development
005	Investigation
050	Land
051	Construction
052	Machinery & Equipment
150	Assistance to I.C.A.R.
190	Assistance Public Sector and other Undertakings
501	Services and Service fees
791	Loss by Exchange/Gain by Exchange
792	Irrecoverable Loans written off
793	Special Central Assistance for Scheduled Caste
794	Special Central assistance for Tribal Sub Plan
796	Tribal area Sub-Plan
797	Transfer to/from Reserve Funds and Deposit Account
798	International Cooperation
799	Suspense
800	Other Receipts/Deposits/Other Loans/ Other Expenditure

### **Sub-Head and Below**

At the Centre the sub-head represents schemes, the Detailed head sub – schemes and the object head, the Objects (e.g. Pay, DA, HRA, Rewards, Gratuity, etc.) on which the expenditure is incurred. Each of these level has been allotted a two-digit code. Where it is not feasible to break up the objects of expenditure into sub details, the codes provided for aggregated certain items may be used instead for computer processing. For example, where it is not possible to indicate Pay, DA, HRA, CCA etc. separately, the code for salaries may be used for representing the aggregate of these items.

## APPENDIX – XI

### List of Sectors (Including Sub-sectors), Major Heads (Including Sub-Major heads) And Minor Heads as adopted by the State Government

#### Receipt Heads (Revenue Account)

##### *A. Tax Revenue*

##### *(a) Taxes on Income and Expenditure*

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
0020 Corporation Tax	500 Receipts Awaiting Transfer to Other Minor Heads (5)
	504 Primary Education Cess
	505 Secondary and Higher Education Cess
	800 Other Receipts
	901 Share of net proceeds assigned to States (8)

#### **Notes:**

- (5) This minor head will record the revenue realized initially and brought to account by ZAO/CBTD concerned, pending transfer to the relevant minor heads on the basis of detailed account rendered by the Designated officers of IT.
- (8) This minor head will figure as a 'minus entry' in the central accounts and as a 'plus entry' in the State accounts.

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**0021 Taxes on Income Other than  
Corporation tax**

504 Primary Education Cess

505 Secondary and Higher Education Cess

901 Share of net proceeds assigned to States (5)

**Note:**

(5) This minor head will figure as a "minus entry" in the Central accounts and as a "plus entry" in the State accounts.

**MAJOR / SUB-MAJOR HEADS**  
**0024 Interest Tax**

**MINOR HEADS**

103 Penalties  
901 Share of net proceeds assigned to States (4)

**Note:**

(4) This minor head will figure as a 'minus entry' in the Central accounts and as a 'plus entry' in the state account.

**MAJOR / SUB-MAJOR HEADS****0028 Other Taxes on Income and Expenditure****MINOR HEADS**

102 Penalties  
107 Taxes on Professions, Trades, Callings and Employment  
109 Expenditure Tax Act, 1987  
110 Voluntary disclosure of Income Scheme, 1997  
500 Receipts awaiting transfer to other minor heads  
901 Share of net proceeds assigned to States (2)

**Notes:**

(2) This minor head will figure as a 'minus entry' in the central accounts and as a 'plus entry' in the State Accounts.

***(b) Taxes on Property and Capital Transactions***

**MAJOR / SUB-MAJOR HEADS**

**0029 Land Revenue**

**MINOR HEADS**

- 101 Land Revenue Tax
- 102 Taxes on Plantations
- 103 Rates and Cesses on Land
- 104 Receipts from Management of ex-Zamindari Estates
- 105 Receipts from Sale of Government Estates
- 106 Receipts on account of Survey and Settlement Operation
- 107 Sale proceeds of Waste Lands and Redemption of Land Tax
- 800 Other Receipts (1)
- 901 Deduct-Portion of Land Revenue due to Irrigation Works

**Notes:**

- (1) This records all items of receipts, which cannot be accommodated under any other minor head under this major head. It will include the following receipts for which distinct sub-heads may be opened.
- (i) Recovery of the Cost of maintenance of Boundary pillars.
  - (ii) Leave salary contributions
  - (iii) Sale proceeds of dead stock, waste paper and other articles, the cost of which was met from office expenses and
  - (iv) Other items

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0030 Stamps and Registration Fees***01 Stamps-Judicial*

101 Court Fees realized in stamps

102 Sale of Stamps (1)

800 Other Receipts (2)

*02 Stamps-Non-Judicial*

102 Sale of Stamps (3)

103 Duty on Impressing of Documents (4)

800 Other Receipts (5)

901 Deduct-Payments to Local bodies of net proceeds on duty levied by them on transfer of property (6)

*03 Registration Fees*

104 Fees for registering documents

800 Other Receipts (7)

**Notes:**

(1) Includes Record Room receipts realised in stamps other than Court Fee Stamps.

(2) Includes fines, penalties, adjudication fees and Composition duty.

(3) This includes bills of exchange on hundies.

(4) Includes

(i) Duty recovered under rules 8 and 11 of India Stamp Rules, 1925.

(ii) Duty on documents voluntarily brought for adjudication (Section 31 of Act 11,1899)

(iii) Duty on unstamped or insufficiently stamped documents under chapter IV of Act II, 1899.

(iv) Other items.

(5) Includes fines and penalties under Stamp Act (II of 1899) other than those which are adjusted under other minor/major heads concerned under the relevant provisions of the said Act. It also includes Vakils Stamps and adjudication fees.

(6) This minor head will record payments to local bodies of net proceeds of duty levied by them on transfer of property, when such receipts are collected by Government as a working arrangement. In cases where duties are levied and collected by the Government under statutory provisions for eventual payment to local bodies, such collections are treated as revenue receipts of the Government concerned.

(7) This includes fees for authentication of Powers of Attorney and fees for copies of registered documents.



**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0031 Estate Duty***01 Agricultural Land*

101 Ordinary Collections (3)

102 Penalties

800 Other Receipts

901 Share of net proceeds assigned to  
State/Union Territory Governments (1)*02 Properties Other than  
Agricultural Land*

101 Ordinary Collections

500 Receipts Awaiting Transfer to Other Minor  
Heads (2)

800 Other, Receipts

901 Share of net proceeds assigned to States(1)

**Notes:**

(1) The minor head will figure as a minus entry in the Central Govt. Accounts and as a plus entry in the States/Union Territory Accounts.

(2) See *Note (5)* below the major head "0020. Corporation Tax"

(3) This minor head will have the following sub-heads

(i) Gross collections

(ii) Deduct refunds

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0032 Taxes on Wealth**

60 Other Agricultural Land	101 Ordinary Collections (3)
	102 Penalties
	901 Share of net proceeds assigned to States(2)
60 Other than Agricultural Land	800 Other Receipts
	901 Share of net proceeds assigned to States(2)

**Notes:**

(2) This minor head will figure as a minus entry in the central accounts and as a plus entry in the state accounts.

(3) This minor head will have following sub-heads:

(iii) Gross Collections

(iv) Deduct Refunds

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
<b>0035 Taxes on Immovable Property other than Agricultural Land</b>	101 Ordinary Collections (1) 800 Other Receipts

**Note:**

(1) This minor head will have the following sub-heads:

Gross Collections

(i) Urban Areas

(ii) Non - Urban Areas Deduct - Refunds

Net Collections

**MAJOR / SUB-MAJOR HEADS****0036 Banking Cash Transaction Tax****MINOR HEADS**

101 Collection under Banking Cash  
Transaction Tax (1)  
102 Penalty  
103 Interest  
500 Receipt Awaiting Transfer to other  
Minor Heads (3)  
800 Other Receipts  
901 Share of net proceeds assigned to  
States (2)

**Notes:**

- (1) This Minor Head will have the following sub heads: -
  - (h) Tax on Self Assessment
  - (i) Tax on Regular Assessment
  - (j) Deduct – Refunds
- (2) This Minor Head will figure as a “minus-entry” in the Central accounts and as a “plus entry” in the State accounts.
- (3) See note 5 below the major head “0020 – Corporation Tax”.

**MAJOR / SUB-MAJOR HEADS**  
**0037 Customs**

**MINOR HEADS**  
901 Share of net proceeds assigned to  
Sates (6)

**Note:**

(6) This minor head will figure as a minus entry in the Central accounts and as a plus entry in the state accounts.

**MAJOR / SUB-MAJOR HEADS**  
**0038 Union Excise Duties**

**MINOR HEADS**

<i>01 Sharable duties</i>	901	Share of net proceeds assigned to States (8)
<i>02 Duties assigned to States</i>	108	National Calamity Contingent Duty (9)
	901	Share of net proceeds assigned to States (8)
<i>03 Non-Sharable Duties</i>	112	Clean Energy Cess

**Note:**

(8) This minor head will figure as a minus entry in the Central accounts and as a plus entry in the state accounts.

(9) The National Calamity Contingency Duty is a surcharge.

***(c) Taxes on Commodities and Services***

**MAJOR / SUB-MAJOR HEADS**

**0039 State Excise (1)**

**MINOR HEADS**

- 101 Country Spirits
- 102 Country fermented Liquors
- 103 Malt Liquor
- 104 Liquor (1)
- 105 Foreign Liquors and spirits
- 106 Commercial and denatured spirits and medicated wines
- 107 Medicinal and toilet preparations containing alcohol, opium etc.
- 108 Opium, hemp and other drugs (2)
- 150 Fines and confiscations (3)
- 800 Other Receipts (4)

**Notes:**

- (1) The minor heads below this major head will record receipts from excise duties and other related receipts for account of receipts on account of sale of liquor etc. undertaken as a trading operation by the States. Please see Note (4) below the Major Head "1475 Other General Economic Services". -
- (2) Includes cocaine
- (3) Includes proceeds of fines and confiscations under the opium and Abkari Acts and sale proceeds of confiscated Cocaine. Proceeds of fines when realized by Judicial officers will be credited to "Administration of Justice" (Major Head 0070).
- (4) The sub-heads 'Other Items' below this minor head will include rent of Ganja Gola in Excise Office compound, rents of godowns, contributions towards cost of special establishment and other miscellaneous receipts which cannot be accommodated under other sub-heads below this minor head.

**MAJOR / SUB-MAJOR HEADS**  
**0040 Tax on Sales, Trade, etc.**  
(1)

**MINOR HEADS**

101	Receipts under Central Sales Tax Act
102	Receipts under State Sales Tax Act (1)
103	Tax on sale of motor spinets and lubricants (3)
104	Surcharge on Sales Tax (2)
105	Tax on Sale of Crude Oil (3)
106	Tax on purchase of Sugarcane (3)
107	Receipts of Turnover Tax
108	Tax on the Transfer of rights to use any goods for any purpose Act, 1985.
109	Tax on Transfer of property goods involved in the execution of "Works Contract Act, 1985.
110	Trade Tax (4)
800	Other Expenditure

**Notes:**

(1) This minor head will be divided into the following sub heads:

- (i) Tax collections
- (ii) Surcharge
- (iii) License and Registration fees
- (iv) Other Receipts
- (v) Deduct-Refunds

The sub head 'Surcharge' will record receipts on account of surcharge levied under the Sale Tax Act. The subhead "Other Receipts" will record miscellaneous receipts such as penalty, fines etc. in the administration of the Tax laws.

- (2) Surcharge levied under separate acts, other than those covered by Note 1 will be recorded under this minor head.
- (3) In States, where such receipts are levied under the Sales Tax Act, the same will be recorded under the minor head "State Sales Tax". These minor heads are intended to record receipts from taxes levied under separate legislations.
- (4) Each new tax levied in place of Sales Tax may be booked under this minor head e.g. Trade Tax, Commercial Tax etc.



**MAJOR / SUB-MAJOR HEADS****0041 Tax on Vehicles****MINOR HEADS**

101 Receipts under the Indian Motor Vehicles Act  
102 Receipts under the State Motor Vehicles  
Taxation Acts  
800 Other Receipts (1)

**Notes:**

(1) This will include receipts from Non-Motor Vehicle Acts, if any, which may be recorded under a separate sub-head.

**MAJOR / SUB-MAJOR HEADS**  
**0042 Taxes on Goods and**  
**Passengers (1)**

<b>MINOR HEADS</b>	
102	Tolls on Roads (2)
103	Tax Collection Passenger Tax
104	Tax Collection – Goods Tax
106	Tax on Entry of Goods into Local Areas (3)
800	Other Receipts (4)

**Notes:**

- (1) This major head will cover the Taxes on goods passengers carried by Road or Inland Waterway only.
- (2) This minor head will record receipts relating to tolls on roads etc, when such tolls are levied by an Act of the Legislature. In other cases, these receipts will be recorded under the major head "1054 – Roads and Bridges".
- (3) This minor head would be operated in the books of State Governments which have levied a tax on entry of goods into local areas for consumption, use or sale of goods therein. This minor head will be divided into the following sub-heads.
  - (a) Tax Collections
  - (b) Deduct-refunds
- (4) This will include Inter State transit duties.

**MAJOR / SUB-MAJOR HEADS**

**0043 Taxes and Duties on  
electricity**

**MINOR HEADS**

- 101 Taxes on consumption and sale of  
Electricity
- 102 Fees under the Indian Electricity rules
- 103 Fees for the electrical inspection of cinemas
- 800 Other Receipts

**MAJOR / SUB-MAJOR HEADS**  
**0044 Service Tax**

**MINOR HEADS**

Minor heads for each Service tax may be opened as necessary (1)

504 Primary Education Cess

505 Secondary and Higher Education Cess

901 Share of not proceeds assigned to States(2)

**Notes:**

(1) Each minor head will have to following sub heads.

(a) Tax collections

(b) Other receipts

(c ) Deduct Refunds

The sub head (6) viz., other receipts will record interest, penalty leviable on delayed payments of service tax.

(2) This minor head will figure as a minus entry in the central accounts and as a plus entry in the state accounts.

**MAJOR / SUB-MAJOR HEADS**  
**0045 Other Taxes and Duties on**  
**Commodities and Services**

**MINOR HEADS**

- 101 Entertainment Tax (1)
- 102 Betting Tax (1)
- 103 Tax on Railway passenger fares (1)
- 104 Foreign Travel Tax (2)
- 105 Luxury Tax(I)
- 106 Tax on Postal Articles (I)
- 107 Inland Air Travel tax
- 108 Receipts under Education Cess Act. (1)
- 109 Receipts under Health Cess Act (I)
- 110 Receipts under the Water (Prevention and Control of Pollution) Cess Act (1)
- 111 Taxes on Advertisement exhibited in Cinema Theatres (1)
- 112 Receipts from Cesses Under Other Acts (1) (3)
- 113 Receipts under Raw Jute Taxation Acts(1)
- 114 Receipts under the Sugarcane (Regulations, Supply and Purchase Control) Act (1)
- 115 Forest Development Tax
- 116 Foreign Exchange Conservation (Travel) Tax.
- 117 Receipts under Research and Development Cess Act, 1986.
- 118 Cable Tax
- 800 Other Receipts (4)
- 901 Share of net proceeds assigned to states (5)

**Notes:**

- (1) The minor heads will be divided into the following sub-heads:
  - (a) Tax Collections
  - (b) Other Receipts
  - (c) Deduct-RefundsThe sub-head "Other Receipts" will-record miscellaneous receipts like penalties, fine etc. in the administration of the relevant Acts/Regulations.
- (2) Will have three sub-heads as under:
  - (a) Tax on travel by Air
  - (b) Tax on travel by Sea
  - (c) Deduct-Refunds
- (3) This minor head will include receipts from cusses which are not accountable under other minor heads below this major head.
- (4) The sub-head "other Items" below this minor head will include "Tobacco Vend Fees", "Licence Fees" and other Miscellaneous Receipts.
- (5) This minor head will figure as a minus entry in the Central Accounts and as a 'Plus entry' in the state accounts.

**B. Non-Tax Revenue**  
**(a) Fiscal Services**

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>0047 Other Fiscal Services</b>	101	Smugglers and Foreign Exchange (Property Act, 1976) (1)
	102	Share of Profits on Sale of Gold by I.M.F.
	105	India Security Press, Nasik (2)
	107	Security Printing Press Hyderabad (2)
	109	Prevention of Money Laundering Act 2002
	800	Other Receipts

**Notes:**

- (1) This minor head will have the following sub-heads.
  - (a) Rent
  - (b) Interest on Dividends
  - (c) Sale proceeds of properties
  - (d) Fines, Forfeitures and Miscellaneous
- (2) This minor head will record receipts under the following sub-heads
  - (a) Value of stamps supplied to the P and T Department, State Governments etc
  - (b) Other receipts.

***(b) Interest Receipts, Dividends and Profits***

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**0049 Interest Receipts**

*04 Interest Receipts of State/*

*Union Territory*

*Governments (2) (6)*

103 Interest from Departmental Commercial Undertakings (4)

107 Interest from Cultivators

110 Interest realised on investment of Cash balances

190 Interest from Public Sector and other Undertakings (8)

191 Interest from Local Bodies

195 Interest from Co-operative Societies

800 Other Receipts (9); "5 (a)"

**Notes:**

- (2) Interest which is in the nature of penalties for delayed payments like interest on arrears of revenue etc. will be adjusted as revenue receipts under the concerned receipt major heads and not here.
- (4) This minor head will accommodate the interest on Capital at charge of departmentally run commercial undertakings, which is adjusted by book transfer.
- (6) Separate sub heads may be opened under the minor head below this sub-major head corresponding to minor heads under the various major heads in the sector "F-Loans and Advances
- (8) Includes interest on debentures.
- (9) See Note (3) below "MH 8222 Sinking Funds". If the State Government decides that interest realised from securities purchased and payment of advance interest on securities purchased out of "Sinking Fund Investment" should be taken to the revenue account, the interest receipts will be credited to this minor head while payment of advance interest thereon will be debited to the minor head "105 Interest on General or other Reserve Funds" below sub-major head "05 Interest on Reserve Funds" under "MH 2049 Interest Payments".

**MAJOR/SUB-MAJOR HEADS****0050 Dividends and Profits**

101

104

105

200

**MINOR HEADS**

Dividends from Public Undertakings (1)

Contributions in lieu of Taxes on Railway Passenger fares

Contributions towards safety works

Dividends from other investments (2)

**Notes:**

- (1) Records dividends from investment in Statutory Corporations (other than LIC) and Govt. Companies.
- (2) Includes dividends from investments in other Joint stock Companies and Co-operative Societies.



***(c) Other Non-Tax Revenue***

**(1) General Services**

**MAJOR / SUB-MAJOR HEADS**

**0051 Public Service Commission**

**MINOR HEADS**

104 UPSC/SSC Examination Fees.

105 State PSC Examination Fees.

800 Other Receipts.

**MAJOR / SUB-MAJOR HEADS****0055 Police**

101

102

103

104

105

120

800

**MINOR HEADS**Police supplied to other Governments **(1)**

Police supplied to other parties (2)

Fees, Fines and Forfeitures (5)

Receipts under Arms Act (4)

Receipts of state-Head-quarters Police (3)

Special Service Bureau

Other Receipts (6)

**Notes:**

- (1) This will have sub-heads for
  - (a) Contributions for Railway Police
  - (b) Recoveries from other Governments.
- (2) This minor head will include receipts on account of Police supplied to Private Companies and persons and recoveries on account of village Police, Police supplied to Municipal, Cantonment and Town Funds.
- (3) All receipts including fees, fines and forfeitures realised by State Head Quarters Police will be accounted for under this head.
- (4) Will have the following sub-heads:
  - (a) Collections by District authorities.
  - (b) Other Collections.
- (5) Includes fees for services of the Government. Examiner of questioned documents, receipts on account of public conveyances under the Public Conveyances Act, Fees for licenses for storing petroleum if issued by police officers and any other fees levied for services controlled by I.G.P, but excluding fees, fines and forfeiture realised by State H.Q. Police.
- (6) Includes recoveries from special Police for supplies made and other receipts.

**MAJOR / SUB-MAJOR HEADS****0056 Jails**

102

501

800

**MINOR HEADS**

Sale of Jail Manufactures (2)

Services and Service Fees (1)

Other Receipts

**Notes:**

- (1) This will record receipts for services rendered by the jail and fees realised for services, if any, including hire of convicts and recoveries of transportation and jail charges from other Governments.
- (2) This records the sale proceeds of articles of jail manufactures supplied to other departments (If the manufactures are constituted on commercial lines and are declared as commercial activities of Jail Department) and other governments and private parties etc. If the Jail manufactures are not declared as commercial activities, the sale proceeds to other departments of the Government are treated as reduction of expenditure under "2056-Jail Manufactures". Receipts in respect of Jail Presses are creditable to "0058 Stationery and Printing".

**MAJOR / SUB-MAJOR HEADS**  
**0057 Supplies and Disposals**

**MINOR HEADS**  
102 Fees for procurement of stores  
103 Fees for inspection of stores  
104 Fees for disposal of stores  
800 Other Receipts

**MAJOR / SUB-MAJOR HEADS**

**0058 Stationery & Printing** 101  
102  
200  
800

**MINOR HEADS**

Stationery receipts (1)  
Sale of Gazettes etc. (2)  
Other Press receipts  
Other receipts

**Notes:**

- (1) This includes sale proceeds of Plain papers used with Stamps.  
(2) This will record sale of Gazettes and Government Publications.

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
<b>0059 Public Works (1)</b>	
<i>01 Office Buildings</i>	011 Rents (2)
	102 Hire Charges of Machinery and Equipment
	103 Recovery of percentage charges (4)
	800 Other Receipts (3)
<i>60 Other Buildings</i>	103 Recovery of percentage charges (4)
	800 Other Receipts (3)
<i>80 General</i>	011 Rents (2)
	102 Hire charges of Machinery and Equipment
	103 Recovery of percentage charges (4)
	800 Other Receipts (3)

**Notes:**

- (1) This major head will record all receipts relating to Public Works (Non Residential Buildings).
- (2) Rents of buildings include P.W. Circuit houses and furniture and other special amenities will be recorded under this minor head.
- (3) This minor head will have the following sub-heads -
  - (i) Sale proceeds of dead stock, waste paper and other items, the cost of which was met from office expenses.
  - (ii) Other items.  
The sub-head "Other items" under this minor head includes receipts on account of lapsed deposits, fines and confiscations (not representing compensation for damage to works in progress), profits on revaluation of stores, surplus on stock verification and unclaimed balances under purchases. When a fine is imposed or a deposit confiscated with the object of defraying the expenditure caused by action of an individual or a firm as when a contractor is penalised for abandonment of his contract owing to the fact that such abandonment has increased the cost of work the amount of the penalty may be taken in reduction of expenditure.
- (4) In respect of establishment charges relatable to works done for other Governments, Local Funds, Private Parties etc. recoveries made on percentage basis as determined by Government will be credited to this minor head.

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>0070 Other Administrative Services</b>		
<i>01 Administration of Justice</i>	102	Fines and Forfeitures (2)
	501	Services and Service Fees (1)
	800	Other Receipts (3)
<i>02 Elections</i>	101	Sale proceeds of election forms and documents
	104	Fees, Fines and Forfeitures (4)
	105	Contributions to-wards issue of voter identity cards
	800	Other Receipts
<i>60 Other Services</i>	101	Receipts from the Central Government for Central Acts and Regulations (5)
	102	Receipts under Citizenship Act
	103	Receipts under Explosives Act. (6)
	104	Receipts under Wild Life Act
	105	Home Guards
	106	Civil Defence
	108	Marriage Fees
	109	Fire Protection and Control
	110	Fees for Government Audit
	111	Narcotics Control (7)
	112	Emigration Fees
	113	Copyright Fees
	114	Receipts from Motor Garages etc. (8)
	115	Receipts from Guest Houses, Government Hostels etc. (9)
	116	Passport Fees
	117	Visa Fees
	118	Receipts under Right to Information Act 2005
	800	Other Receipts (10)

**Notes:**

- (1) This minor head will include Court fees realised in cash (including Amins and Process Servers' fees and recoveries on account of pauper suits), Pleaders' and Mukhtearship examination fees, receipts of the Supreme Court, High Courts and other Courts, receipts of the official Assignees, Official Receiver, Administrator General, Official Trustees etc. Under this head the following items shall also be recorded: -
- (i) Fees received by Government Officers under Act L III of 1952, for performing duties as Notaries Public.
  - (ii) Fees realised towards the issue or renewal of certificate of practice or for extension of area of practice as Notaries, under the Notaries Rules, 1956.

- (iii) Fees or expenses deposited in Civil and Criminal Courts for the traveling and subsistence allowance of Government servants when summoned to give evidence in their official capacity in criminal cases and civil cases to which Government is a party.
- (2) This head records all fines and confiscations imposed and realised by judicial officers and District Superintendents of Police acting magisterially. All Fines and confiscations imposed by Revenue authorities but realised by judicial officers will be credited to this head unless provided otherwise under the Act.
- (3) This minor head will include sale proceeds of unclaimed and escheated property under a distinct sub-head.
- (4) This minor head records Inspection Fees, Copying Fees, Other Fees, forfeited amount in connection with challenged votes, and forfeited amount of security deposits.
- (5) This will be divided into the following sub-heads: -
  - (a) Explosives Act
  - (b) Petroleum Act
  - (c) Indian Arms Act
  - (d) Carbide of Calcium Rules
  - (e) Rice-Milling Industry (Regulation) Act
  - (f) Other Acts and Regulations
- (6) This minor head will be divided into the following sub-heads (a) Collections by District authorities (b) Other Collections.
- (7) This will include receipt of the Central Bureau of Narcotics.
- (8) This minor head will record receipts for servicing of Vehicles in Government Workshops and hire charges of Government Motor Vehicles, Aeroplanes etc. not relating to any particular service/department
- (9) This minor head will record receipts on account of rent, catering and other miscellaneous items like trunk calls from Guest Houses, Government Hostels, M.L.A. Hostels etc.
- (10) This minor head will include receipts from Prize Competitions and other miscellaneous receipts. Receipts if any relating to Organs of State, Fiscal Services or any other expenditure head in the sub sector "Administrative Services" for which there is no corresponding separate receipt head will be recorded under this minor head.



**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0071 Contributions and Recoveries towards Pension and Other Retirement Benefits***01 Civil*

101	Subscriptions and Contributions (1)
106	Pensionary charges in respect of High Court Judges recovered from the State Governments (3)
114	Burma Government's Contributions towards pre-separation pensionary liabilities
800	Other Receipts (2)

**Notes:**

(1) When leave and pension contributions are levied separately, recoveries representing leave contributions are credited to the receipt head corresponding to the functional major head to which the establishment relates or where there is no corresponding receipt head under the minor head "Other Receipts" in the residuary receipt major head under the respective sectors. Recoveries representing pension contributions will be credited to this head. This minor head also accommodates the combined leave and pension contributions, where such recoveries are not levied separately.

Additions to fixed establishments, the cost of which is recoverable from local funds etc (Including recoveries representing supervision and other incidental charges in respect of additional police forces deployed under the Indian Police Act, 1861) should be treated as departmental receipts and credited under the minor head 'Other receipts' of the appropriate functional major heads concerned. The recovery representing leave and pension charges in those cases should be dealt with in accordance with the principles set forth in the first sub para above.

Leave and pension contributions of Military officers in permanent civil employment to foreign service should be treated as indicated in the first sub para above while contributions of military officers and others in permanent military employ including those in temporary civil employ and contributions for pension of Indian soldiers lent to other Government should be credited to Defence Service Estimates.

Contributions recovered from Foreign Employers towards Governments' liability under rule 11 of the I.C.S. (NEM) Provident Fund Rules is credited to this minor head.

Penal interest on arrears of contributions towards leave salary and pension of Government servants on foreign service is credited to the head of account to which the contributions are credited.

- (2) This minor head will include share of commuted value of pensions received from other Governments, etc.
- (3) This minor head will record the pensioner charges recoverable from State Governments under Article 290 of the Constitution. See also Note (8) below the major head "2071- Pension and other retirement benefits".

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0075 Miscellaneous General Services**

101	Unclaimed Deposits
102	Pre-partition receipts
103	State Lotteries
104	Unclaimed and Unpaid dividend deposits and debentures etc, of investors in Companies (2)
105	Sale of Land and property (2)
106	Receipts from properties acquired under Chapter XX-A of Income Tax Act, 1961
107	Canteen Stores Department
108	Guarantee Fees
791	Gain by Exchange
800	Other Receipts (1)

**Note:**

(1) This minor head will include the following receipts-

(a) Miscellaneous Receipts

The sub head will include the following receipts.

- (i) Unclaimed loans written off to revenue.
- (ii) Adjustments of Write off of unclaimed securities of current loans.
- (iii) Lapsed Wasika pensions payable in lieu of interest on Oudh loans.
- (iv) Sale proceeds of to shakhana.
- (v) Receipts from Bombay Land Scheme.
- (vi) Contributions from State Governments for refugee relief.
- (vii) Interest from banks on delayed remittances and excess/double reimbursement.
- (viii) Forefeited amount under the scheme 11.55%, 8 year tenor Government Stock, 2002.
- (ix) Other Miscellaneous Receipts

(b) Investors education and Protection fund:-

Grants and donations received from State Governments companies and any other institutions will be credited to the sub-head.

2) This Minor Head will be divided into following subheads

- (a) Unpaid dividend
- (b) Unpaid application money received by companies for allotment of Securities and due for refund.
- (c) Unpaid Matured deposits
- (d) Unpaid matured dividend
- (e) Interest accrued on the amounts referred to in sub-heads (a) to (d).

***(ii) Social Services***

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**0202 Education, Sports, Art and Culture**

<i>01 General Education (1)</i>	101	Elementary Education
	102	Secondary Education
	103	University and Higher Education (4)
	104	Adult Education
	105	Languages Development
	600	General (2)
<i>02 Technical Education(1)</i>		101 Tuitions and other fees
	800	Other Receipts (2)
<i>03 Sports and Youth Services Youth Welfare</i>	101	Physical Education-Sports and
	800	Other Receipts
<i>04 Art and Culture</i>	101	Archives and Museums
	102	Public Libraries
	103	Receipts from Cinematograph Films Rules
(3)	800	Other Receipts

**Notes:**

- (1) Tuition Fees', 'Examination Fees' and 'Other Fees' may be treated as separate sub-heads under the various minor heads below these sub-major heads, wherever possible and necessary.
- (2) Income from Endowments and contributions from local bodies may be adjusted under a separate sub-head "Contributions and Income from endowments".
- (3) Will be divided into the following sub-heads:
  - (a) Collection by District authorities
  - (b) Other Collections.
- (4) Grants from University Grants Commission for Government Colleges may be recorded under a separate sub-head "Contributions from the University Grants Commission" under this head.

**MAJOR / SUB-MAJOR HEADS**  
**0210 Medical and Public Health**

**MINOR HEADS**

<i>01 Urban Health Services</i>	020 Receipts from Patients for hospital and dispensary services (1)
	101 Receipts from Employees State Insurance Scheme
	103 Contribution for Central Government Health Scheme
	104 Medical Store Depots (2)
	107 Receipts from Drug Manufacture (3)
	800 Other Receipts (4)
<i>02 Rural Health Services</i>	101 Receipts/contributions from patients and others(1)
	800 Other Receipts (4)
<i>03 Medical Education. Training &amp; Research</i>	101 Ayurveda
	102 Homeopathy
	103 Unani
	104 Siddha
	105 Allopathy
	200 Other Systems
<i>04 Public Health</i>	102 Sale of Sera/Vaccine
	104 Fees and Fines etc. (5)
	105 Receipts from Public Health Laboratories
	501 Services and Service Fees
	800 Other Receipts
<i>80 General</i>	101 Fees for issue of Certificates under WHO GMP Scheme
	800 Other Receipts (6)

**Notes:**

- (1) This minor head will include the recoveries from patients for accommodation, supply of medicines, bacteriological and other tests, supply of blood and other services rendered.
- (2) Will record receipts from the sale of medicines, drugs, medical instruments and equipments etc. whose cost is debited to revenue under the expenditure major head "22 10 Medical and Public Health".
- (3) Will include receipts from departmentally run drug manufacturing concerns. Distinct sub-heads with suitable detailed heads thereunder may be opened for each concern.
- (4) Will be divided into following sub-heads: -
  - (i) Bacteriological laboratory receipts.
  - (ii) Sale of blood to Institutions, etc. other than in-patients.
  - (iii) Sale of dead stock, waste paper and other items the cost of which was met from office expenses.
  - (iv) Leave salary contributions.
  - (v) Income from endowments.
  - (vi) Other items.
- (5) Will include licence fees, fines etc. under Drug Control Acts and Prevention of Food Adulteration Acts etc. realised by Public Health authorities.
- (6) Will include income from endowments.

**MAJOR / SUB-MAJOR HEADS**  
**0211 Family Welfare**

101  
800

**MINOR HEADS**

Sale of contraceptives  
Other Receipts

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0215 Water Supply and****Sanitation***01 Water Supply*

102	Receipts from Rural water supply schemes(1)
103	Receipts from Urban water supply schemes(1)
104	Fees, Fines etc.
501	Services and Service Fees
800	Other Receipts

*02 Sewerage and  
Sanitation*

103	Receipts from Sewerage Schemes
104	Fees, Fines etc.
501	Services and Service Fees
800	Other Receipts

**Note:**

- (1) Receipts in respect of each major scheme may be recorded under distinct sub-head

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0216 Housing***01 Government Residential**Buildings (2)*

106

General Pool accommodation (1)

107

Police Housing

700

Other Housing

*02 Urban Housing*

800

Other Receipts

(Each class of Scheme will  
be a minor Head) (2)*03 Rural Housing*

800

Other Receipts

(Each class of Scheme will  
be a minor Head) (2)

## 80 General

800

Other Receipts

**Notes:**

- (1) This Minor Head will also include receipts relating to Departmental Pool Accommodations. It will be divided into following sub-heads:
  - (i) Rent/Licence Fee
  - (ii) Other items.
- (2) If the receipts are recurring and substantial the scheme will be classified as a separate minor head, otherwise not.



**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0217 Urban Development (1)***01 State Capital Development*

(Name of each State capital will be a minor head)

*02 National Capital Region* 191  
800

Receipts from Municipalities/Corporations etc.  
Other Receipts

*03 Integrated Development of Small and Medium Towns* 191  
800

Receipts from Municipalities  
Other Receipts

*04 Slum Area Improvement* 191  
800

Receipts from Municipalities etc.  
Other Receipts

*60 Other Urban Development Schemes* 191  
800

Receipts from Municipalities etc. (2)  
Other Receipts

**Notes:**

- (1) Separate minor heads may be opened for receipts from any Urban Development Scheme other than those provided for. This major head will not include receipts from Urban Housing Schemes, which will be recorded under the major head "0216 Housing".
- (2) This minor head will record inter alia receipts on account of the Directorates of Municipalities' etc.

**MAJOR / SUB-MAJOR HEADS****0220 Information and Publicity***01 Films*102  
800*60 Others*105  
106  
112  
800**MINOR HEADS**Receipts from Departmentally produced films  
Other ReceiptsReceipts from community Radio and T.V. Sets  
Receipts from advertising and visual Publicity  
Receipts from other Publications  
Other Receipts

**MAJOR / SUB-MAJOR HEADS****0230 Labour and Employment****MINOR HEADS**

101	Receipts under Labour laws
102	Fees for registration of Trade Unions
103	Fees for inspection of Steam Boilers
104	Fees realised under Factory's Act
105	Examination fees under Mines Act
106	Fees under Contract Labour (Regulation and Abolition Rules)( 1)
800	Other Receipts

**Note:**

- (1) Fees realised under these rules framed by the Central and State Governments may be accounted for under distinct sub-heads below this minor head.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0235 Social Security and Welfare**

<i>01 Rehabilitation</i>	101	Dandakaranaya Development Scheme
	102	Relief and Rehabilitation of Displaced persons and Repatriates
	200	Other Rehabilitation Schemes
	800	Other Receipts
<i>60 Other Social Security and Welfare Programmes</i>	105	Government Employees Insurance Schemes (1)
	106	Receipts from Correctional Homes
	800	Other Receipts

**Note:**

(1) Please see note (7) below major head "2235"

**MAJOR / SUB-MAJOR HEADS**  
**0250 Other Social Services**

**MINOR HEADS**

101	Nutrition
102	Welfare of Scheduled Castes, Scheduled Tribes and other backward classes
800	Other Receipts (1)

**Note:**

- (1) Includes receipts on account of public exhibitions and fairs and recovery towards the cost of administration of Religious and Charitable Endowments Acts.

(iii) Economic Services

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**0401 Crop Husbandry**

103	Seeds
104	Receipts from Agricultural Farms
105	Sale of manures and fertilisers
107	Receipts from Plant Protection Services (1)
108	Receipts from Commercial crops
110	Grants from I.C.A.R.
119	Receipts from Horticulture and Vegetable crops
120	Sale, hire and services of agricultural implements and machinery including tractors
800	Other Receipts

**Notes:**

(1) Includes receipts on account of fumigation of cotton.

**MAJOR / SUB-MAJOR HEADS**  
**0403 Animal Husbandry**

**MINOR HEADS**

102	Receipts from Cattle and Buffalo development
103	Receipts from Poultry development
104	Receipts from Sheep and Wool development
105	Receipts from Piggery development
106	Receipts from Fodder and Feed development
108	Receipts from other live stock development
110	Grants From Indian Council of Agricultural Research
501	Services and Service Fees (1)
800	Other receipts

**Note:**

(1) This will include services and service fees for veterinary services and animal health.

**MAJOR / SUB-MAJOR HEADS**  
**0404 Dairy Development**

**MINOR HEADS**

Each Milk Scheme will be a minor head (1)  
110 Grants From I.C.A.R  
800 Other Receipts

**Note:**

- (1) Receipts from each Milk supply scheme may be shown under a distinct minor head with suitable sub-heads thereunder.



**MAJOR / SUB-MAJOR HEADS****MINOR HEADS**

<b>0405 Fisheries</b>	101	Rents(1)
	102	License Fees, Fines etc.
	103	Sale of fish, fish seeds etc. (2)
	110	Grants from I.C.A.R
	501	Services and service fees (3)
	800	Other Receipts

**Notes:**

- (1) Includes receipts from auction of fishing rights.
- (2) Includes value of the sale of mechanised fishing boats treated as loans/subsidies.
- (3) Includes hire charges for mechanised fishing boats and fees for fishery education.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0406 Forestry and Wild Life***01 Forestry*

101	Sale of timber and other forest produce (1)
102	Receipts from social and farm forestries (2)
103	Receipts from environmental forestry
104	Receipts from Forest Plantations
110	Grants from I.C.A.R.
112	Rosin And Turpentine Factories
800	Other Receipts

*02 Environmental Forestry  
and Wild Life*

111	Zoological Park
112	Public Gardens
800	Other Receipts

**Notes:**

- (1) This will include receipts on sale of timber and other produce removed from forest by Government and consumers and purchasers, drift and waif wood and confiscated forest produce.
- (2) Each Forestry will appear as a sub-head.

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>0407 Plantations</b>		
<i>01 Tea</i>	015	Cess
	800	Other Receipts( 1)
<i>02 Coffee</i>	015	Cess
	800	Other Receipts (1)
<i>03 Rubber</i>	015	Cess
	800	Other Receipts (1)
<i>04 Spices</i>	015	Cess
	800	Other Receipts (1)
<i>60 Others</i>	533	Jute
	811	Coconuts
	813	Cashew
	822	Cinchona
	829	Arecanut
	830	Tobacco

**Note:**

(1) Will include sale of plantation products.

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**0408 Food Storage and  
Warehousing**

101 Food  
102 Storage and Warehousing  
103 Nutrition and Subsidiary Food  
105 Warehousing Development and Regulation

Receipts

800 Other Receipts

**MAJOR / SUB-MAJOR HEADS**  
**0415 Agricultural Research and Education**

**MINOR HEADS**

- 003 Receipts from Training
- 103 Receipts from Agriculture research Stations orchards etc.
- 104 Receipts from Agricultural Education.

**MAJOR / SUB-MAJOR HEADS**  
**0425 Cooperation**

**MINOR HEADS**

101	Audit Fees
800	Other Receipts

**MAJOR / SUB-MAJOR HEADS**  
**0435 Other Agricultural  
Programmes**

**MINOR HEADS**

102	Fees for quality control grading of Agricultural products
104	Soil and Water Conservation
501	Services and Service Fees (1)
800	Other Receipts

**Note:**

- (1) Includes receipts on account of rents, lease charges for storage and warehousing of agricultural products.

**MAJOR / SUB-MAJOR HEADS**  
**0506 Land Reforms**

**MINOR HEADS**

101	Receipts from regulations/consolidations of land holdings and tenancy (1)
103	Receipts from maintenance of land Records
800	Other Receipts

**Note:**

- (1) Will include receipts on account of land ceiling for Agricultural Land. Revenue expenditure on account of Land ceiling for Agricultural Land will be recorded under minor head 102 Consolidation of Holdings' below major head "2506 Land Reforms".



**MAJOR / SUB-MAJOR HEADS**  
**0515 Other Rural Development  
Programmes**

**MINOR HEADS**

101	Receipts under Panchayati Raj Acts
102	Receipts from community development Projects
800	Other Receipts

**MAJOR / SUB-MAJOR HEADS**  
**0575 Other Special Areas programmes**

**MINOR HEADS**

02 Backward Areas

03 Tribal Areas

60 Others

Minor heads corresponding to functional major heads/sub-major heads may be opened under the sub-major heads as necessary.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0700 Major Irrigation**

Each Commercial Project	101	Sale of water for irrigation purposes
will be a sub-major head	102	Sale of water for domestic purposes
	103	Sale of water for other purposes
	104	Sale proceeds from canal plantations
	105	Navigation receipts
	106	Water Power
	107	Workshop receipts
	108	Indirect Receipts (1)
	109	Owner rate
	110	Other items
	800	Other Receipts (2)

Each Non-commercial  
Project will be a sub-major head

101	Sale of water for irrigation purposes
102	Sale of water for domestic purposes
103	Sale of water for other purposes
104	Sale proceeds from canal plantations
105	Navigation receipts
106	Water Power
107	Workshop receipts
108	Indirect Receipts (1)
109	Owner rate
110	Other items
800	Other Receipts (2)

80 General

800 Other Receipts

**Notes:**

- (1) This will include portions of Land revenue due to irrigation works, betterment levy and irrigation cess.
- (2) This will include receipts on account of rent of buildings, furniture etc., and fines for infringement of canal Rules.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0701 Medium Irrigation**

Each Commercial Project  
will be a sub-major head

101	Sale of water for irrigation purposes
102	Sale of water for domestic purposes
103	Sale of water for other purposes
104	Sale proceeds from canal plantations
105	Navigation receipts
106	Water Power
107	Workshop receipts
108	Indirect Receipts (1)
109	Owner rate
110	Other items
800	Other Receipts (2)

Each Noncommercial Project  
will be a sub-major head

101	Sale of water for irrigation purposes
102	Sale of water for domestic purposes
103	Sale of water for other purposes
104	Sale proceeds from canal plantations
105	Navigation receipts
106	Water Power
107	Workshop receipts
108	Indirect Receipts (1)
109	Owner rate
110	Other items
800	Other Receipts (2)

80 General

800	Other Receipts
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**Notes:**

- (1) This will include portions of Land revenue due to irrigation works, betterment levy and irrigation cess.
- (2) This will include receipts on account of rent of buildings, furniture etc., and fines for infringement of canal Rules.

**MAJOR / SUB-MAJOR HEADS**  
**0702 Minor Irrigation**

**MINOR HEADS**

<i>01 Surface Water</i>	101	Receipts from water tanks
	102	Receipts from lift irrigation Schemes
	103	Receipts from diversion schemes
	800	Other Receipts
 <i>02 Groundwater</i>	101	Receipts from tube wells
	800	Other Receipts
 <i>03 Command Area Development</i>		(Each Command Area Development Authority will be a minor head)
	800	Other Receipts
 <i>04 Flood Control</i>	101	Anti sea erosion Project
	102	Flood Control Project
	103	Drainage Project
	800	Other Receipts
 <i>80 General</i>	800	Other Receipts

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0801 Power**

<i>01 Hydel Generation</i>	800	Each Scheme will be a minor head (1) Other Receipts
<i>02 Thermal power Generation</i>	800	Each Scheme will be a minor head (1) Other Receipts
<i>03 Nuclear Power Generation</i>	800	Each Scheme will be a minor head (1) Other Receipts
<i>04 Diesel/Gas Power Generation</i>	800	Each Scheme will be a minor head (1) Other Receipts
<i>05 Transmission &amp; Distribution</i>	800	Each Scheme will be a minor head (1)(2) Other Receipts
<i>06 Rural Electrification</i>	800	Other Receipts
<i>80 General</i>	800	Other Receipts

**Notes:**

- (1) Will be divided into the sub-heads 'Sale of Power' and 'Other receipts', of which the latter will include receipts under the 'Electricity (Supply) Act'.
- (2) This will include receipts of schemes such as the 'Load dispatching Stations', which cannot be identified with any other sub-major head.

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**0810 Non Conventional  
Sources of Energy**

101	Bio-Energy
102	Solar
103	Wind
800	Others

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0851 Village and Small  
Industries**

101	Industrial Estates (1)
102	Small Scale Industries
103	Handloom Industries
104	Handicrafts Industries
105	Khadi and Village Industries
106	Coir Industries
107	Sericulture industries
108	Power loom Industries
200	Other Village Industries
800	Other Receipts

**Note:**

- (1) This minor head will record receipts on account of rent, lease charges and other amenities provided at the Industrial Estates. Receipts from Government units located at the Industrial Estates will, however, be recorded under relevant minor heads under this major head.



<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>0852 Industries</b>		
<i>01 Iron and Steel Industries</i>	101	Mining (1)
	105	Manufacture (2)
<i>02 Cement and Non-Metallic Mineral Industries</i>	205	Cement
	800	Other Receipts
<i>03 Fertilizer Industries</i>	004	Research and Development
	800	Other Receipts
<i>06 Engineering Industries</i>	101	Other Industrial Machinery Industries
	102	Transport Equipment Industries
	103	Other Engineering industries
	203	Electrical Engineering Industries
<i>07 Telecommunication and Electronic Industries</i>	101	Telecommunications
	202	Electronics
	800	Other Receipts
<i>08 Consumer Industries</i>	201	Sugar
	202	Textiles
	204	Drugs and Pharmaceuticals
	205	Leather
	215	Paper and Newsprint
	600	Others
<i>09 Atomic Energy Industries</i>	103	Thorium Extraction
	106	Waste Treatment Facilities
	201	Atomic Mineral Development
	202	Nuclear Fuel Complex
	203	Fuel Reprocessing
	204	Heavy Water Plant
	208	Rare Earth Development
	800	Other Receipts
<i>80 General</i>		

**Notes:**

- (1) The following will be the sub-heads:
- (i) Licence fees
  - (ii) Services and service fees
  - (iii) Fines, Penalties etc.
  - (iv) Other receipts
- (2) The following will be the sub-heads:
- (i) Receipts from Price Control of Iron and Steel
  - (ii) Services and service fees
  - (iii) Fines, Penalties etc.
  - (iv) Other receipts

**MAJOR / SUB-MAJOR HEADS**  
**0853 Non-ferrous Mining and  
Metallurgical Industries**

**MINOR HEADS**

101	Geological Survey of India
102	Mineral concession fees, rents and royalties
103	Receipts under the Carbide of Calcium Rules (1)
104	Mines Development
800	Other Receipts

**Note:**

- (1) Divided into the sub-heads 'Collections by District authorities' and 'Other collections'.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****0875 Other Industries**

<i>01 Opium and Alkaloid Industries</i>	800	Other Receipts
<i>02 Other Industries</i>	102	Licence fees
	103	Fines and Penalties
	105	Receipts of each Departmental Commercial Undertaking (Name of undertaking)
	501	Services and Service Fees
	800	Other Receipts
<i>03 Development of Backward Areas</i>	800	Other Receipts
<i>60 Others</i>	800	Other Receipts

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>1051</b>	<b>Ports and Light Houses</b>	
<i>01 Major Ports</i>	101	Receipts from ferry services
	102	Receipts from Welfare Organisations for seamen
	103	Registration and other fees
	800	Other Receipts
<i>02 Minor Ports</i>	101	Receipts from Ferry Services
	102	Receipts from Welfare Organisations for seamen
	103	Registration and other Fees
	800	Other receipts
<i>03 Light Houses and Lightships</i>	101	Light Dues
	102	Contributions
	800	Other Receipts
<i>80 General</i>	800	Other Receipts

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>1052 Shipping</b>		
<i>01 Overseas Shipping</i>	101	Survey fees
	102	Registration and other fees
	103	Receipts from Shipping services (1)
	800	Other Receipts
<i>02 Coastal Shipping</i>	101	Survey Fees
	102	Registration and other fees
	103	Receipts from Shipping services (1)
	800	Other Receipts
<i>80 General</i>	800	Other Receipts

**Note:**

- (1) This will include freight passage and tonnage of Government run shipping services.

**MAJOR / SUB-MAJOR HEADS**  
**1053 Civil Aviation (1)**

**MINOR HEADS**

501 Services and Service Fees  
800 Other Receipts

**Note:**

(1) Receipts on account of state aircraft not meant for regular public service should be booked under major head '0070-Other Administrative Services.

**MAJOR / SUB-MAJOR HEADS**  
**1054 Roads and Bridges**

**MINOR HEADS**

101	National High Ways Permanent Bridges (2)
102	Tolls on Roads (1)
800	Other Receipts (3)

**Notes:**

- (1) Please refer to Note (2) below the major head '0042- Taxes on Goods and Passengers'.
- (2) Please see Note (1) below the Major Head '8225'. The fees collected shall be accounted for under a sub-head "Fees for use of National Highways permanent Bridges."
- (3) This minor head will also record receipts on account of Hire Charges of Machinery & equipment.

**MAJOR / SUB-MAJOR HEADS****1055 Road Transport****MINOR HEADS**

Each Departmental undertaking will be a minor head (1)

101 Receipts under Rail Road Coordination

800 Other Receipts

**Note:**

- (1) Each Government run transport service will be treated as a sub-head with suitable detailed heads such as "Traffic Receipts", 'Workshop Receipts' etc.



**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**1056 Inland Water Transport**

Each Departmental undertaking/Project will be a minor head (1) (2)  
800 Other Receipts

**Notes:**

- (1) Each Government run transport service will be treated as a sub-head with suitable detailed heads such as "Traffic Receipts", 'Workshop Receipts' etc.,
- (2) Ferry receipts collected by Public Works Department will be credited under '1054-Roads and Bridges-Tolls on Roads'.

**MAJOR/ SUB-MAJOR HEADS**

**1075 Other Transport Services**

101

800

**MINOR HEADS**

Receipts from River Training Works

Other Receipts

**MAJOR / SUB-MAJOR HEADS**

**1275 Other Communication**

**Services**

**MINOR HEADS**

102	Receipts from Monitoring Organisation
103	Receipts from Wireless Planning and Coordination Organisation
208	Satellite system
800	Other Receipts

**MAJOR /SUB -MAJOR HEADS**  
**1425 Other Scientific Research**

**MINOR HEADS**

- 101 Oceanographic Research
- 102 Space Research
- 103 National Test House
- 201 Survey of India
- 800 Other Receipts

**MAJOR / SUB-MAJOR HEADS**  
**1452 Tourism**

**MINOR HEADS**

- 103 Receipts from Tourists Transport
- 104 Promotion and Publicity
- 105 Rent and Catering Receipts
- 800 Other Receipts

**MAJOR / SUB-MAJOR HEADS****1453 Foreign Trade and Export  
Promotion****MINOR HEADS**

101	Receipts from Export Trade
102	Import License Application fees
103	Export License Application Fees
207	Receipts from Vizag Export Processing Zone
800	Other Receipts
900	Deduct-Refunds

**MAJOR / SUB-MAJOR HEADS**  
**1456 Civil Supplies**

**MINOR HEADS**  
**800 Other Receipts**

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
<b>1475 Other General Economic Services</b>	012 Statistics
	101 Fees realised under the Monopolies and Restrictive Trade Practices Act, 1969
	102 Patent Fees
	103 Fees for Registration of Trade Marks
	104 Receipts from certification marking and testing fees
	105 Regulation of Joint Stock Companies (I)
	106 Fees for stamping weights and measures
	107 Census
	108 Trade Demonstration and publicity
	109 Sale Proceeds of Liquor etc. (4)
	110 Income from portfolio management scheme (Discretionary Mode) of National Investment Fund
	200 Regulation of other business undertakings(2)
	201 Land Ceilings (Other than agricultural land)
	202 Meteorology
	800 Other receipts (3)

**Notes:**

- (1) This will include fees and other receipts realised under the Companies Act and commission received by court liquidators under Banking Companies Act.
- (2) This minor head will include receipts from the Administration of Indian Partnership Act, Money Lenders Act, Chit Funds Act, and fees under Insurance Act.
- (3) Will include receipts towards issue of capital under the Capital Issues (Control) Act, 1947. Receipts on account of Emergency Risks (Goods) Insurance Schemes / Emergency Risks (Undertakings) Insurance Scheme / War Risks (Marine Hulls) Reinsurance Scheme / Emergency Risks (Factories) Insurance Scheme may be recorded under distinct sub-heads under this minor head.
- (4) This minor head will record the sale proceeds (Other than portions pertaining to sales tax and Excise duties) on account of sale of liquor etc. in States/Union Territories which purchase and sell liquor, Country spirits, Country fermented liquor etc. as a trading operation. The excise duty on such sales, however continue to be recorded under "0039-State Excise".



## C - Grants-In-Aid And Contributions

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>1601 Grants-in-aid from Central Government</b>		
<i>01 Non-Plan Grants</i>	101	Grants under the Constitution (Distribution of Revenue order)
	102	Grants in lieu of Tax on Railway Passenger Fares
	103	Grants on account of Agricultural Wealth Tax
	104	Grants under the proviso to Article 275(1) of the Constitution
	105	Grants to meet non-plan revenue deficit (1)
	106	Grants from Central Road Fund
	107	Relief and Rehabilitation of Displaced persons and repatriates
	108	Grants in lieu of pension contributions
	109	Grants towards contribution to State Disaster Response Fund.
	110	Grants from National Calamity Contingency Fund
	800	Other grants
<i>02 Grants for State/ Union Territory Plan Schemes</i>	101	Block Grants
	102	Grants as advance Plan Assistance for relief on account of Natural calamities (2)
	103	Grants against External Assistance received in kind
	104	Grants under Proviso to Article 275(1) of the Constitution
	105	Grants from Central Road Fund
	800	Other Grants
<i>03 Grants for Central Plan Schemes</i>	103	National Rural Employment Programme
	104	Grants under Proviso to Article 275(1) of the Constitution
	106	Minor Ports – Development of Minor Ports
<i>04 Grants for Centrally Sponsored Plan Schemes</i>	104	Grants under Proviso to Article 275(1) of the Constitution
	105	Grants from Central Road Fund
	800	Other grants
<i>05 Grants for Special Plan Schemes</i>	101	Schemes of North Eastern Council

**Notes:**

- (1) This minor head will be operated only in the books of the Union Territory Governments.
- (2) Grants as advance Plan assistance for drought relief will be adjusted under a distinct sub-head Drought Relief.'

**EXPENDITURE HEADS (REVENUE ACCOUNT)**

***A. General Services***

***(a) Organs of State***

<b>MAJOR/ SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>2011 Parliament/State/Union</b>		
<b>Territory Legislatures</b>		
<i>02 State/Union Territory</i>		
<i>Legislatures</i>	101	Legislative Assembly (1)
	102	Legislative Council (1)
	103	Legislative Secretariat
	104	Legislator's Hostel
	800	Other expenditure

**Note:**

(1) These minor heads will include expenditure on discretionary grants by Presiding Officers, which may be shown under a distinct sub-head.

**MAJOR / SUB-MAJOR HEADS**  
**2012**      **President, Vice President:**  
**Governor, Administrator of**  
**Union Territories**  
*03 Government/Administrator*  
*of Union Territories*

**MINOR HEADS**

090	Secretariat
101	Emoluments and allowances of the Governor/Administrator of Union Territories
102	Discretionary Grants
103	Household Establishment (4)
104	Sumptuary Allowances
105	Medical Facilities (5)
106	Entertainment Expenses
107	Expenditure from Contract Allowance (3)
108	Tour Expenses
110	State Conveyance and Motor Cars
111	Chief Commissioners (6)
800	Other Expenditure (7)

**Notes:**

- (3) These heads are meant for expenditure of a semi-private character such as stable establishments and contingencies, wages and allowances of household servants, etc., incurred by the President and the Governors, which is met from the contract grant. Charges on account of maintenance of State motor cars are also debited to this head, in the sub-major head "03.
- (4) This head includes all charges on account of pay and allowances etc. of the Military Secretary, Aid-de-camp and other staff and house hold personnel of the Governors of the States/Administrators of Union Territories and of their establishments and contingencies. This head also includes Entertainment allowance provided in column 4 of the second schedule to the Governors' (Allowances and Privileges) Order.
- (5) As the Governors of Maharashtra and Tamilnadu have a separate provision for "Surgeon and his establishments" in the second schedule to the Governors (Allowances and Privileges) order, the Expenses on their medical facilities will not be included under this minor head. In these States, expenditure on surgeon and his establishment will be recorded under the minor head "Household Establishment".
- (6) Charges of Lt. Governors/Chief commissioners of Union Territories administered by the Central Government and having no Legislature of their own are recorded under this head.
- (7) This head inter-alia includes:
- Travelling and equipment allowances of the President and Heads of States on appointment;
  - Travelling allowance of Governors on retirement; and
  - Expenditure on purchase of motor cars for Heads of States / Union Territories.

**MAJOR / SUB-MAJOR HEADS**  
**2013**      **Council of Ministers**

**MINOR HEADS**

101	Salary of Ministers and Deputy Ministers(1)
102	Sumptuary and other Allowances
104	Entertainment and Hospitality Expenses
105	Discretionary grant by Ministers
106	Cabinet Secretariat
108	Tour Expenses
800	Other Expenditure (2)

**Notes:**

- (1) The term "Ministers" will include Prime Minister and Chief Ministers. The minor head will also include the salary and allowances of "Parliamentary Secretaries". The expenditure on personal staff attached to Ministers/Deputy Ministers etc. will be recorded under Secretariat expenditure major head concerned except in the case of Prime Minister's office, which will be recorded under the minor head "Prime Minister's office" under this major head.
- (2) This minor head will include expenditure on telephone charges, light and water charges, maintenance and running of vehicles etc; rent of buildings, if any, acquired for residence of Ministers, and paid by the Public Works Department will, however, be recorded under "2216 Housing-01 Government Residential Buildings-Lease charges".

**MAJOR / SUB-MAJOR HEADS**  
**2014 Administration of Justice**

**MINOR HEADS**

102	High Courts
103	Special Courts (3)
104	Judicial Commissioners (Union Territories)
105	Civil and Session Courts
106	Small Causes Courts
107	Presidency Magistrate's Courts
108	Criminal Courts
109	Coroners' Courts
110	Administrators General and Official Trustees
111	Official Assignees
112	Official Receivers
113	Sheriffs and Reporters
114	Legal Advisers and Counsels (1)
115	Central Administrative Tribunal
116	State Administrative Tribunals
117	Family Courts
800	Other Expenditure (2)

**Notes:**

- (1) This minor head will include Attorney General, Advocate General, Standing Counsels, and Solicitors, Legal Remembrance, Public Prosecutors, Government Pleaders etc. Legal charges including Pleaders' fees for instituting and defending suits etc. will be debited to the department concerned.
- (2) This minor head will include pleadership and mukhtiarship examination charges.
- (3) This minor head will record transactions of special courts established under the Special Courts Act. 1979.

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**2015 Elections**

101	Election Commission
102	Electoral Officers (1)
103	Preparation and Printing of Electoral rolls (2)
104	Charges for conduct of elections for Lok Sabha and State/Union Territory Legislative Assemblies when held simultaneously.
105	Charges for conduct of elections to Parliament (3)
106	Charges for conduct of elections to State/Union Territory Legislature (3)
107	Election Tribunals
108	Issue of Photo Identity - Cards to Voters
109	Charges for conduct of election to Panchayats/local bodies.
110	Delimitation Commission
800	Other Expenditure (4)

**Notes:**

- (1) This minor head will include expenditure on Chief Electoral Officers of the States and their establishment at State Headquarters and the districts.
- (2) This minor head includes expenditure on preparation and printing of electoral rolls for Assembly and Parliamentary constituencies. Separate sub-heads may be opened to record distinguishable expenditure on assembly and parliamentary constituencies.
- (3) This minor head will include expenditure on conduct of election to Rajya Sabha and Legislative Council respectively, and also expenditure on Bye-elections. Separate sub-heads may be opened, if necessary, to record expenditure on election to Lok Sabha, Rajya Sabha, Legislative Assembly and Legislative Council.
- (4) This minor head will include charges for election of the President/Vice-President.

**(b) Fiscal Services**

**(i) Collection of Taxes on Income and Expenditure**

**NIAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**2020 Collection of Taxes on**

**Income and Expenditure (1)**

001	Direction and Administration (1) (2)
101	Collection Charges-Income Tax (1)
102	Collection Charges-Corporation Tax (1)
103	Collection Charges-Expenditure Tax (1)
104	Collection Charges-Agriculture Income Tax
105	Collection Charges-Taxes on Professions, Trades Callings and Employment.
106	Collection Charges-Interest Tax Act- 1974
107	Collection charges-Hotel Receipt Tax
108	Interest on refunds (3)
109	Authority for Advance Rulings
901	Deduct-Proportionate charges transferred to other heads (I)

**Notes:**

- (1) All charges for collection of "Corporation Tax", "Taxes on Income other than Corporation Tax", "Estate Duty", "Taxes on Wealth", "gift Tax" and "Securities Transaction Tax" are in the first instance accounted for ;under the Minor Heads "Direction and Administration", "Collection Charges – Income Tax" and "Other Expenditure" below this Major Head and at the end of the year the total cost of collection is apportioned among "Income Tax", "Estate Duty", "Taxes on Wealth", "Gift Tax" and "Securities Transaction Tax". The formula for apportionment of cost of various Direct Taxes will be in accordance with the Office Memorandum issued for this purpose from time to time by the office of CBDT. The Shares of the cost of collection so worked out are transferred to the minor Heads "Estate Duty", "Taxes on Wealth", "Gift Tax" and "Securities Transaction Tax" (under the Major Head "2031-Collection of Estate Duty, Taxes on Wealth, Gift Tax and Securities Transaction Tax") and "Collection charges – Corporation Tax" under this Major Head respectively.
- (2) Includes charges on account of Directorates of Inspection-Income Tax, Investigation and Research, Statistics and Publications.
- (3) Interest for different categories of refunds be shown at a detailed head level.

*(ii) Collection of Taxes on Property and Capital Transactions*

**MAJOR / SUB-MAJOR HEADS**

**2029 Land Revenue**

**MINOR HEADS**

001	Direction and Administration
101	Collection Charges
102	Survey and Settlement Operations
103	Land Records
104	Management of Government Estates
105	Management of Ex-Zamindari Estates
800	Other Expenditure (I)

**Note:**

- (1) This minor head includes expenditure of a regulatory nature on "Consolidation of Holdings" for general land revenue purposes. See also Note (1) and (2) below the major head "2506 Land Reforms".



<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
<b>2030 Stamps and Registration</b>	
<i>01 Stamps-Judicial</i>	001 Direction and Administration (1)
	101 Cost of Stamps (1)
	102 Expenses on Sale of Stamps (2)
<i>02 Stamps -Non-judicial</i>	001 Direction and Administration (1)
	101 Cost of Stamps (1)
	102 Expenses on Sale of Stamps (2)
03 Registration	001 Direction and Administration

**Notes:**

- (1) The distribution of charges under these heads between "Judicial" and "Non Judicial" will be made according to the decision of the Government concerned. Where this is not possible, the charges may be shown under one of the heads which would account for the major expenditure.
- (2) This minor head will record "Commission," 'discount', and pay and allowances of official vendors for sale of stamps.

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
2035 <b>Collection of Other Taxes on Property and Capital 'Transactions</b>	101    Taxes on Immovable Property other than Agricultural Land

(iii) Collection of Taxes on Commodities and Services

**MAJOR / SUB-MAJOR HEADS**  
**2039 State Excise**

**MINOR HEADS**

001	Direction and Administration (1)
102	Purchase of Opium etc. (2)
104	Purchase of Liquor and Spirits
800	Other Expenditure

**Notes:**

- (1) This will include charges for "Excise Bureau" and charges on account of regulation and control of private distilleries. Departmental distilleries will be recorded under the major head. "2875-Other Industrics-60-Other Industries-Other Expenditure".
- (2) This minor head will I record the cost of opium supplied by the opium factories to the State Government and the cost of purchase of Bhang, Ganja etc.

**MAJOR / SUB-MAJOR HEADS**  
2040 Taxes on Sales, Trade etc.

**MINOR HEADS**

001 Direction and Administration  
101 Collection Charges  
800 Other expenditure

**MAJOR / SUB-MAJOR HEADS**  
**2041 Taxes on Vehicles**

**MINOR HEADS**

001	Direction and Administration
101	Collection Charges
102	Inspection of Motor Vehicles
800	Other expenditure

**MAJOR / SUB-MAJOR HEADS**  
**2045 Other Taxes and Duties on  
Commodities anti Services**

**MINOR HEADS**

101	Collection Charges-Entertainment lax
102	Collection Charges-Betting Tax
103	Collection Charges-Electricity Duty (1)
104	Collection Charges-Taxes on Goods and Passengers
105	Collection Charges - Services Tax.
200	Collection Charges - Other Taxes and Duties (2)

**Notes:**

- (1) This minor head will include the expenditure on the establishment of Electrical Inspectorate.
- (2) This minor head includes charges if any. In connection with collection of tobacco vend fees, license fees etc

#### (iv) Other Fiscal Services

##### **MAJOR /SUB -MAJOR HEADS**

##### **2047 Other Fiscal Services**

##### **MINOR HEADS**

- 101 Regulation of Foreign Exchange
- 102 Smugglers and Foreign exchange Manipulators' (Forfeiture of Property Act, 1976)
- 103 Promotion of Small Savings (I)
- 104 Additional Emoluments (Compulsory Deposit Act, 1974 (2))
- 106 State Stamps Depot
- 109 Prevention of Money Laundering Act 2002
- 800 Other expenditure (4)

##### **Notes:**

- (1) This minor head will record the expenditure on 'National Savings Organisation' and also the State Small Savings Organisation.
- (2) This minor head will have the following sub heads:
  - (i) Payment to Employees Provident Fund Organisations
  - (ii) Payments to State Governments etc.
  - (iii) Interest on Deposits in the Additional Wages Deposits Account
  - (iv) Interest on Deposits in the Additional D.A. Deposit Account
  - (v) Interest on Deposits in the Additional D.A. Deposits Account (New)

Each of the above three Interest sub-heads will have the following detailed heads:

- (i) Central Government Employees and Employees of Union Territories without Legislature
  - (ii) Employees of Union Territories with Legislature
  - (iii) State Government Employees
  - (iv) Local Authority Employees
  - (v) Non- Government Employees, other than Local Authority Employees
- (4) This minor head will also record expenditure on account of the Central Stamp Office, Calcutta. and the Central Stamp Store, Nasik under distinct sub heads.

*(C) Interest payment and servicing of debt*

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**2048 Appropriation for reduction  
or avoidance of debt**

101	Sinking Funds (1)
200	Other Appropriations (2)

**Notes:**

- (1) Separate sub head may be opened for each loan for which sinking fund is created.
- (2) This minor head is intended for the record of appropriations from revenue for reduction or avoidance of debt other than specific appropriations for regularly Constituted Sinking Funds.



**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2049 Interest Payments***01 Interest on Internal Debt.*

101	Interest on Market Loans (1)
102	Discount on Loans (2)
103	Interest on Treasury Bills and connected securities issued to Reserve Bank of India
107	Interest on Special Securities issued to the RBI (8)
108	Interest on 182 Days-Treasury Bills
115	Interest on Ways & Means Advances from Reserve Bank of India (10)
200	Interest on Other Internal Debts (3)
305	Management of Debt (4)

*03 Interest on Small Savings Provident Funds etc. (6)*

104	Interest on State Provident Funds
106	Incentive Bonus to Provident Fund Subscribers
107	Interest on Trusts and Endowment
108	Interest on Insurance and Pension Fund
109	Interest on Special Deposits and Accounts
110	Bonus on Field Deposits
111	Interest on Other Deposits and Accounts
115	Interest on other savings deposits (12)
116	Interest on other savings certificates (12)
117	Interest on defined contribution pension schemes (14)

*04 Interest on Loans and Advances from Central Government*

101	Interest on Loans for State/Union Territory Plan Schemes
102	Interest on Loans for Central Plan Schemes
103	Interest on Loans for Centrally sponsored Plan Schemes
104	Interest on Loans for Non-Plan Schemes
105	Interest on Loans for Special Plan Schemes
106	Interest on Ways and Means Advances
107	Interest on Pre-1984-85 Loans (7)
108	Interest on 1984-89 State Plan Loans consolidated in terms of recommendations of the 9th Finance Commission
109	Interest on State Plan Loans consolidated in terms of recommendations of the 12th Finance Commission

*05 Interest on Reserve Funds*

101	Interest on Depreciation Renewal Reserve Funds
102	Interest on Revenue Reserve Funds
105	Interest on General and other Reserve Funds

*60 Interest on Other Obligations*

101	Interest on Deposits
107	Interest on Special Securities issued to Food Corporation of India
108	Interest on Special Securities issued to Oil

	Marketing Companies (8.13 per cent Oil Marketing Companies' Government of India Special Bonds, 2021)
109	Interest on Special Bonds issued to Fertilizers Companies
110	Interest on SBI Right Issue 8.35% Special Bonds 2024
701	Miscellaneous

**Notes:**

- (1) Please refer to Note (1) below the major heads 6001/6003-Internal Debt of the Central/State Governments. Interest on loans notified for discharge and subsequently paid (except payments which are barred by limitation) should be debited to a separate sub head "interest on loans in course of discharge" under the minor head "Payment of interest". If time barred as well as on loans if paid after the expiry of 20 years, when the loans themselves do not form part of Public 'debt, will be debited to the head "2075 Miscellaneous General Services-Other expenditure".
- (2) Separate sub heads may be opened for each denomination of loan.
- (3) Separate sub heads may be opened for interest paid on internal debt relating to each autonomous or statutory organisation.
- (4) Includes expenditure incurred in connection with issue of new loans and the sale of securities held in cash balance investment account.
- (5) A separate sub head may be opened under the various minor heads below this sub major head for each denomination of loans from each country and also for the loans from the International Banks or Institutions for each project. Additional-sub heads viz "Commitment Charges" and "Incidental expenses" may also be opened. The sub head 'Incidental Expenses' would accommodate all incidental expenses including brokerages, commission etc. which do not fall under the Category of 'Interest "or "Commitment charges".
- (6) Separate sub head may be opened under each minor head except under the minor head "Management of small savings scheme" below this sub major head corresponding to minor heads in the sector "1 - Small Savings. Provident Funds etc" in the Public Account.
- (7) This minor head is intended to record the payments of interest on all Central Loans to States advanced upto 31-03-84 and outstanding as on 31-03-85.
- (8) This minor head shall account for interest on securities issued to Reserve Bank of India for acquisition of special Drawing rights etc.
- (10) This minor head shall account for interest on Ways & Means Advances from Reserve Bank of India booked under Major Head 6001/6003.
- (12) The minor heads "115-Interest on Other Savings Deposits" and "116-Interest on Other Savings Certificates" are meant for transactions relating to State Governments.
- (14) This minor head shall account for interest on Defined Pension Contribution Scheme for Government employees of Civil Ministries, Department of Posts, Railways and Telecommunication

*(d) Administrative services*

**MAJOR / SUB-MAJOR HEADS**

**2051 Public Service Commission**

**MINOR HEADS**

101	Union Public Service Commission
102	State Public Service Commission
103	Staff Selection Commission

**MAJOR /SUB-MAJOR HEADS****2052 Secretariat-General Services****MINOR HEADS**

090	Secretariat (1)
091	Attached Offices (2)
092	Other Offices (2)
099	Board of Revenue

**Notes:**

- (1) Separate sub-heads may be opened for each wing of the secretariat (e.g. Chief Secretariat. Finance Department, Home Department. Law Department, Revenue Department etc.) dealing with policy formulation etc. of functions under "A-General Services.
- (2) These minor heads will record expenditure on attached offices of the Govt. of India, other offices of the State Govt. not identifiable with any particular function.

**MAJOR / SUB-MAJOR HEADS**  
**2053 District Administration**

**MINOR HEADS**

093	District Establishments
094	Other Establishments (1)
101	Commissioners
102	Court of Wards
800	Other expenditure

**Note:**

(1) This minor head will include sub-divisional establishment.

**MAJOR / SUB-MAJOR HEADS**  
**2054 Treasury and Accounts**  
**Administration**

**MINOR HEADS**

003	Training
095	Directorate of Accounts and Treasuries
096	Pay and Accounts Offices (1)
097	Treasury Establishment
098	Local Fund Audit
800	Other expenditure

**Note:**

- (1) Expenditure on Pay and Accounts Offices accredited to a particular department will be recorded under the major head for that department

**MAJOR/SUB-MAJOR HEADS**  
**2055 Police**

**MINOR HEADS**

001	Direction and Administration
003	Education and Training
004	Research
101	Criminal Investigation and Vigilance
102	Central Reserve Police
103	Assam Rifles
104	Special Police (1)
105	Border Security Force
106	National Security Guard
107	Industrial security Force
108	State headquarters Police
109	District Police
110	Village Police
111	Railway Police (2)
112	Harbour Police
113	Welfare of Police Personnel (3)
114	Wireless and Computers
115	Modernization of Police Force
116	Forensic Science
117	Internal Security
118	Special Protection Group
120	Special Service Bureau
121	Border Management

**Notes:**

- (1) This minor head includes expenditure on State Militia and Armed Police.
- (2) This minor head includes charges for 'Crime" and 'Order" police. Expenses in connection with Order" police are ultimately recoverable from Railways.
- (3) This minor head includes expenditure on all amenities for the police personnel in general (e.g Subsidized rations, Contributions to amenities funds, running expenses of police, Hospital etc.).

**MAJOR / SUB-MAJOR HEADS****2056 Jails****MINOR HEADS**

001	Direction and Administration
101	Jails
102	Jail Manufactures (1)
800	Other Expenditure (2)

**Notes:**

- (1) This minor head includes charges for convict labour except jail press charges, which are treated as expenditure under Major head "2058-Stationery and Printing
- (2) This includes charges on account of persons confined or detained in Jails outside the State.



**MAJOR / SUB-MAJOR HEADS**  
**2057 Supplies and Disposals (1)**

**MINOR HEADS**

101	Purchase (2)
102	Inspection (2)
103	Disposals (2)
800	Other expenditure

**Notes:**

- (1) This major head will be operated only for recording the expenditure on the Central Purchase Disposal & Inspection Organisations like the D G S & D. Other than the organisation of Civil Supplies whose expenditure will be debited to the major head "3456' Civil Supplies".
- (2) The expenditure on purchase, inspection and disposal wings (both in Central and State Governments) will be recorded under the respective minor heads. The pay, allowances etc. of common Director General /Director will be shown under the wing having major activity. A similar procedure may be adopted for the overseas organisation like India Store Department, London and India Supply Missions. Washington.

**MAJOR /SUB -MAJOR HEADS**  
**2058 Stationery and Printing**

**MINOR HEADS**

001	Direction and Administration
101	Purchase and Supply of Stationery Stores (1)
102	Printing. Storage and Distribution of Forms
103	Government Presses (2)
104	Cost of printing by Other Sources
105	Government Publications (3)
800	Other expenditure

**Notes:**

- (1) This minor head will include expenditure on Stationery Office.
- (2) This minor head will include expenditure on lithography.
- (3) This minor head will include the Cost of printing of Govt. Publications, Codes, manuals etc. and their distribution including charges of Book Depots. The Cost of printing of Text Books will be recorded under the major head "2202-Education".

**MAJOR / SUB-MAJOR HEWS****2059 Public Works (1)***01 Office Buildings*

051	Construction (1) (3)
052	Machinery and Equipment (8)
053	Maintenance and Repairs (4)(11)
103	Furnishings (5)
104	Lease Charges (6)
799	Suspense (9)
800	Other Expenditure (10)

*60 Other Buildings*

051	Construction (1) (3)
052	Machinery and Equipment (8)
053	Maintenance and Repairs (4)(11)
103	Furnishings (5)
104	Lease Charges (6)
799	Suspense(9)
800	Other Expenditure (10)

*80 General*

001	Direction and Administration (2)
003	Training
004	Planning and Research
051	Construction (1) (3)
052	Machinery and Equipment (8)
053	Maintenance and Repairs( 11)
103	Furnishings
104	Lease Charges
105	Public Works Workshops (7)
799	Suspense (9)
800	Other expenditure (10)

**Notes:**

- (1) This Major Head and the Minor Head "Construction' thereunder is intended to record the expenditure on
- all Government non-residential general purpose office and administrative buildings relating to all the three sectors viz. "General services', "Social Services' and "Economic Services'.
  - all Government non-residential buildings falling under the functions in "General Services".
  - Buildings for functional purposes falling under "Social Services" and "Economic Services" such as Hospitals, Schools, Agricultural Colleges etc. shall be booked under the appropriate functional major heads concerned (though the budgetary and technical control over such expenditure would vest in the Public Works Deptt. and the provision for such expenditure are included in the Demands for Grant of the Public Works Department). For this purpose, a specific sub head "Buildings" may be opened below the

relevant programme Minor Head under the functional expenditure Major head concerned with necessary details (Like Works, Establishment. Machinery and Equipment) to be operated upon exclusively by the Public Works Department e.g. expenditure on construction of Secondary Schools will be accounted for under the major head "2202 Education-02-Secondary-Government Secondary Schools" under a sub head "Buildings".

Where it is not possible to identify the expenditure on buildings to a programme or a function, it will appear under "Buildings" below the residuary minor head "Other Expenditure" of the functional major/sub-major head. For residential buildings see Major Head '2216 Housing".

Where the buildings etc. are not under the administrative control of the Public Works Deptt.. Government may prescribe that expenditure on construction and repairs upto a certain specified monetary limits may be incurred by the Department having the administrative control over it. In such cases and where the programme could be identified, it should be accounted for under the detailed head "Works" below the functional major and minor heads concerned. Where the programme could not be identified, it should be classified under the residuary minor head "Other Expenditure" of the relevant major head.

- (d) Expenditure on maintenance and repairs of Roads and Bridges will be accounted for under the major head "3054 Roads and Bridges".
  - (e) Cost of acquisition of land by Public Works Department except the works relating to "Archaeological Survey of India" for general purposes shall be accounted for under the minor head "Other Expenditure" below this major head or "4059-Capital Outlay on Public Works -Acquisition of Land" depending upon whether such expenditure is treated as Revenue or Capital.
  - (f) Expenditure on the staff quarters (construction as well as maintenance) forming part of a scheme or project such as Doctors/Nurses in Hospital, will be normally accounted for under the relevant functional major head (Medical in this example) and not under the major head "Housing". If however for administrative reasons, Government decides otherwise, expenditure on maintenance of such staff quarters may be debited to this major head and correspondingly the receipts shall be accounted for under "0216 Housing" in such cases.
- (2) This minor head will record the expenditure on 'Direction' 'Execution', 'Architecture' 'Designs', 'Stores Control' etc. for which distinct sub-heads may be opened. In addition, two distinct deduct-sub-heads may also be opened to record the transfers on percentage/pro-rata basis to other major heads, on account of apportionment of 'Common Establishment' viz.
- (i) "Transfer of establishment charges on percentage basis to the Capital major heads", In cases where the P.W. Divisions execute works both of 'Capital' and 'Revenue' nature, and the common establishment charges relating to these divisions are initially recorded under this minor head, they will be allocated on a percentage basis in proportion to the works outlay recorded under the capital major heads.
  - (ii) "Transfer of establishment charges on a pro-rata basis to the major heads '2216 Housing'. '3054- Roads and Bridges' wherever there is a common establishment for "Buildings and Roads" branches in the P.W.D. catering to buildings (both residential and non-residential) and 'Roads and Bridges'.

The contra debits for these deduct-entry adjustments, will appear either as detailed heads under the sub-head "Buildings" below the appropriate programme minor head under the relevant functional capital major heads or under "Direction and Administration" below "2216 Housing" and "3054-Roads and Bridges" as the case may be.

The rules for the transfer of the establishment charges in these cases, will be such as laid down in Statement E to Appendix 2 of C.P.WA. Code or other similar provisions in the State PWA. Codes.

- (3) See Note (1) above. This minor head may be divided into sub-heads corresponding to various functional major heads as considered necessary.
- (4) This minor head will record the expenditure on maintenance and repairs of all Government non-residential buildings. No distinction need be made between "Ordinary Repairs " and "Special Repairs". For Government residential buildings -See Major Head "2216- Housing (1)."
- (5) This minor head will record the cost of furniture etc. provided by the P.W. Department in non-residential buildings. M.L.A's hostels, other Government hostels, P.W. Department Circuit Houses etc., which are not let out as regular residential accommodation.
- (6) This minor head will record the rent paid by the P.W. department for non-residential accommodation hired, requisitioned or leased by that department. Rent paid by the P.W.D. for non-residential buildings leased for their own use should, however, be debited to the detailed head "Rent, Rates and Taxes" below the concerned sub heads and the minor head "Direction and Administration". Lease charges paid by the P.W. department in respect of residential accommodation hired, requisitioned or leased by that department will be recorded under the major head "2216 Housing Government Residential Buildings-Lease Charges".
- (7) This minor head will record the expenditure on the establishment of P.W. Workshops, plant and machinery and their maintenance etc.
- (8) This minor head will record expenditure on the common Tools and Plant acquired by the P.W. Division for executing both works of a revenue and capital nature. It will have suitable sub-heads like "New Supplies", "Repairs and Carriage" etc. In addition there will be two specific deduct-sub-heads for adjustment of (i) percentage charges of Tools and Plant transferred to Capital major heads and (ii) pro-rata transfer of Tools and Plant charges to the major heads 2216 Housing and "3054-Roads and Bridges". In respect of common P.W. Division catering to works both for buildings (residential as well as non-residential) and Roads and Bridges-vide similar adjustments indicated in Note (2) above, for establishment charges.
- (9) This minor head will be divided into sub-heads "Stock", "Workshop Suspense", and "Miscellaneous Works *Advances*". For adjustment of the cost of stores purchased/received from other Divisions but not paid for during the same month please refer to note (13) below Major Head "8658-Suspense Accounts".

- (10) This minor head is intended to record expenditure. which cannot be recorded under any of the other minor heads e.g.. Land Development office, temporary structures not forming part of estimates of any capital work.
- (11) This minor head may be divided into the following sub-heads:
  - (I) Work Charged Establishment
  - (ii) Other maintenance expenditure

**MAJOR / SUB-MAJOR HEADS**  
**2070 Other Administrative**  
**Services**

**MINOR HEADS**

003	Training (8)
101	Metropolitan Council (1)
102	Pradesh Councils (11)
103	Zonal Councils
104	Vigilance (2)
105	Special Commission of Enquiry (3)
106	Civil Defense
107	Home Guards
108	Fire Protection and Control (4)
109	Intelligence Bureau
110	National Investigation Agency
112	Rent Control
113	Narcotics Control (5)
114	Purchase and Maintenance of transport (6)
115	Guest Houses, Government Hostels etc. (7)
116	Bureau of Immigration
117	Explosives
118	Administration of Citizenship Act.
119	Official Languages
120	Payment to States/Union Territories for Administration of Central Acts and Regulations (9)
800	Other expenditure (10)

**Notes:**

- (1) Records expenditure on Metropolitan Council, Delhi.
- (2) This minor head will record expenditure on Vigilance Commissioner, Vigilance Tribunals, Vigilance Departments, Lokayukta/Up-Lokayukta/Lokpal etc.
- (3) This minor head will record expenditure on Commissions and Committees the charges on which according to their importance or for any other reason, cannot conveniently be adjusted under functional major heads.
- (4) The sub head will be
  - (i) Direction and Administration
  - (ii) Protection and Control
  - (iii) Training
  - (iv) Other Expenditure
- (5) This minor head will record the expenditure on the establishment of the Central Bureau of Narcotics. The proportionate charges relatable to the opium and alkaloid factories, is then transferred to the appropriate sub-head under the relevant minor head under '2875-Other Industries-01-Opium and Alkaloid Industries', through a deduct entry under this minor head.

- (6) This will record expenditure on maintenance of motor garages, as well as purchase and maintenance of vehicles not relating to any particular service/department and purchase and maintenance of aircrafts, if any, maintained by Government not as a regular public service.
- (7) This minor head will include expenditure on guest houses. Government hostels etc., like catering, other than expenditure on construction, maintenance and repairs of the buildings which will be recorded under 2059 Public Works' or 4059 Capital outlay on Public Works' as the case may be.
- (8) This minor head includes expenditure on training of I.A.S. Officers, Secretariat training institutes, other general training institutes. etc.
- (9) Divided into the following sub-heads:
  - (i) Explosives Act.
  - (ii) Petroleum Act
  - (iii) Indian Arms Act
  - (iv) Carbide of Calcium Rules.
  - (v) Rice-Milling Industry (Regulation) Act.
  - (vi) Other Acts and Regulations.
- (10) Will include expenditure on (a) taxes on non-residential buildings occupied by departments other than the Defence department, and paid by a department nominated by Government and not passed on to the occupying department, (b) deportation of foreigners (c) rewards for destruction of wild animals.
- (11) Records expenditure on Pradesh Council in Andaman and Nicobar Islands.



*(e) Pensions and Miscellaneous General services*

**MAJOR/SUB-MAJOR HEADS**

**MINOR HEADS**

**2071 Pensions and other**

**Retirement Benefits (I)**

*01 Civil*

- 101 Superannuation and Retirement Allowances
- 102 Commuted value of Pensions
- 103 Compassionate allowance
- 104 Gratuities (10)
- 105 Family Pensions
- 106 Pensionary charges in respect of High Court Judges (8)
- 107 Contributions to Pensions and Gratuities (3)
- 108 Contributions to Provident Funds (4)
- 109 Pensions to Employees of state aided Educational institutions
- 110 Pensions of Employees of Local Bodies
- 111 Pensions to legislators (7)
- 112 Equated payment of sterling pension transferred from Capital (2 )
- 113 Equated payment on account of Capital outlay on sterling pensions to the Government of India by the State/Union Territory Governments (2)
- 115 Leave Encashment Benefits (12)
- 116 Ex-gratia payments arising out of special VRS to Central Government employees declared as surplus
- 117 Government Contribution for Defined Contribution Pension Scheme (13)
- 118 Medical treatment of CGHS pensioners
- 200 Other Pensions (5)
- 800 Other expenditure (6)

**Notes:**

- (1) See Major head '2075 Miscellaneous General Services" for pensions in lieu of resumed jagirs. lands, territories etc., and pensions and awards for distinguished services and the major head " Social Security and Welfare" for pensions under social security scheme, and pensions to freedom fighters, their dependents etc.
- (2) See Note (1) below "4075 Capital Outlay on Miscellaneous General Services".
- (3) Contributions payable by one Government to another on account of pensions and gratuities of officers who are either borne on the joint cadre of the two Governments, or lent to the former by the latter Government, are debited to this head. When payments are made at combined rates for both pensions and leave salaries, such contributions are also debited to this head. Leave salary contributions, when paid separately, are, however, debited to the functional major heads concerned. Allocation of Pensions and Gratuities between Central Government and State Governments has been dispensed with from 1.4.1987. This minor head has been retained to accommodate old cases.

- (4) This minor head includes Government contributions to various Contributory Provident Funds.
- (5) Includes the Following:-
- (a) Pensions under the I.C.S. (N.E.M.) Family Pension Fund.
  - (b) Pensions relating to I.C.S. Family Pension Fund, Indian Military Service Family Pensions Fund and Indian Military Widows and Orphans Fund.
  - (c) Pension of the Bengal and Madras Service Family Pensions Fund.
  - (d) Ex-gratia pension to Indian pensioners of Portuguese Colonies.
  - (e) Pensions to former employees of Sind and N.W.F.P.
  - (f) Donations to Service Funds-other family pensions funds.
  - (g) Government Contributions payable under I.C.S Family Pension Fund.
  - (h) Covenanted Civil Service Pension.
  - (i) Ex-gratia ad-hoc allowance to Burma civilian pensioners/family pensioners.
  - (j) Ex-gratia ad-hoc allowance to Pakistan civil pensioners/family pensioners.
  - (k) Ex-gratia payment to families of deceased CPF beneficiaries'.
- (6) This minor head will include cost of remittance by money order, of pensions debitable to this major head.
- (7) This minor head will have two sub-heads, viz. (i) Members of Parliament (ii) Members of State legislatures.
- (8) This minor head will include payments made on account of both pensions and Commuted value of pensions and gratuity or other sums payable by way of death on retirement benefits. In the books of the Central Government it will cover pensions etc. paid under Article. 112 (3) (d) (iii) of the Constitution which are recoverable from State Governments under Article 290 ibid. In the books of the State Governments, it will cover pensionary charges reimbursed to the Central Government under Article 290 of the constitution.
- (10) This minor head will also record expenditure on account of interest payable on delayed payment of gratuity.
- (12) This will record leave encashment benefits granted at the time of retirement. termination of service etc.
- (13) This Minor Head shall record the Government Contribution for Defined Contribution Pension Scheme of all civil ministries and Department of Telecommunication.

**MAJOR /SUB-MAJOR HEADS****MINOR HEADS****2075 Miscellaneous General Services**

101	Pension in lieu of resumed Jagirs, Lands. territories etc.
102	Pre-partition payments
103	State Lotteries (I)
104	Pensions and awards in consideration of distinguished services
106	Management of Properties acquired under Chapter XX-A of Income Tax Act.1961
107	Management of immovable properties acquired under Chapter XX-C of Income Tax Act. 1961
108	Canteen Stores Department
109	Loans to State Governments Written Off in terms of recommendations of the 8th Finance Commission
110	Loans to State Governments Written off in terms of recommendations of the 9th Finance Commission.
111	Repayments of Loans by State Governments written-off in terms of recommendations of the 10 <sup>th</sup> Finance Commission.
112	Loans to State Governments Written off in terms of recommendations of the Eleventh Finance Commission(3)
791	Loss by Exchange
800	Other expenditure (2)

**Notes:**

- (1) This minor head will account for all the expenditure relating to lotteries including the administrative expenditure relating exclusively for lotteries only. Where the administrative expenditure is incurred for other purposes as well, the expenditure should be hooked to the major head 2070- Other Administrative Services.
- (2) This minor head will include expenditure on (a) payment of allowances to the families and dependents of ex-rulers and (b) payments arising out of the Bombay Land Scheme. Please also see Note (1) below Major Head 2049'.
- (3) a) The following sub-heads will be opened under this minor head.
  - i) Fiscal performance linked Debt Relief and
  - ii) Security expenditure linked Debt Reliefb) Name of the state would appear as detailed head below the sub heads.

## ***B. Social Services***

### ***(a) Education, Sports, Art and culture***

#### **MAJOR / SUB-MAJOR HEADS**

#### **MINOR HEADS**

##### **2202 General Education (I)**

###### *01 Elementary Education (10)(2)*

001	Direction and Administration
052	Equipment
053	Maintenance of Buildings
101	Government Primary Schools
102	Assistance to Non Government Primary Schools
103	Assistance to Local Bodies for Primary Education
104	Inspection
105	Non-Formal Education
106	Teachers and other Services
107	Teachers Training
108	Text Books (4)
109	Scholarships and Incentives
110	Examinations
111	Sarva Shiksha Abhiyan
112	National Programme of Mid Day Meals in Schools
800	Other expenditure (3)

###### *02 Secondary*

###### *Education (2)(1 2)*

001	Direction and Administration
004	Research and Training (11)
052	Equipments
053	Maintenance of Buildings
101	Inspection
103	Non-formal Education
104	Teachers and Other Services
105	Teachers Training
106	Text Books (4)
107	Scholarships
108	Examinations
109	Government Secondary Schools
110	Assistance to Non-Govt. Secondary Schools
191	Assistance to Local Bodies for Secondary Education
800	Other expenditure (3)

###### *03 University and Higher Education*

001	Direction and Administration
102	Assistance to Universities.
103	Government Colleges and Institutes
104	Assistance to Non-Government Colleges & Institutes
105	Faculty Development Programme (8)
106	Text Books Development (9)
107	Scholarships
112	Institutes of higher learning (7)

113	Interest subsidy on education loan to bright and needy students
800	Other expenditure

*04 Adult Education*

001	Direction and Administration
101	Grants to Voluntary Organisations
102	Shramik Vidya Peeths
103	Rural Functional Literacy Programmes
200	Other Adult Education Programmes
800	Other expenditure

*05 Language Development*

001	Direction and Administration
102	Promotion of Modern Indian Languages and Literature (5)
103	Sanskrit Education
200	Other Languages Education (6)
800	Other expenditure

*80 General*

001	Direction and Administration
003	Training
004	Research
107	Scholarships
108	Examinations
798	International Co-operation
800	Other expenditure

**Notes:**

- (1) This major head will record the expenditure on all activities connected with education except Agricultural Education, Medical Education, Animal Husbandry Education and other special types of education, the expenditure on which will be recorded under the respective functional head, viz. "Crop Husbandry", "Medical and Public Health". etc. Expenditure on special programmes for the scheduled castes, scheduled tribes and other backward classes intended to supplement benefits and facilities available to the whole community should be recorded under the major head '2225 - Welfare of Scheduled Castes, Scheduled Tribes and other Backward classes' and expenditure on special programmes for physically handicapped should be booked under the minor head "2235 Social Security and Welfare".
- (2) Expenditure common to both Elementary and Secondary Education such as common directorate at Headquarters and District level. common inspectorate etc.. will be recorded below the respective minor heads under the sub-major head "02-Secondary Education".
- (3) School lunch! mid day meal programme will be recorded under a distinct sub head under this minor head.
- (4) Expenditure on Text Book Committee. printing, publication and distribution of Text Books will be recorded under this minor head.

- (5) Expenditure on teaching of modern Indian languages in Government schools and colleges as part of wider curricula will be recorded under the relevant minor head below the sub major heads "01 Elementary Education", "02-Secondary Education", "03 -University and other higher education". The minor head 'Promotion of modern Indian languages and literature' under the sub major head "05 Language Development", will record other expenditure either directly by Government or as grant for promotion of modern Indian languages including Hindi and Urdu.
- (6) This minor head will record expenditure on promotion of other languages like Russian, French, Persian, German etc. Expenditure in connection with the teaching of these languages in schools and colleges will however be recorded under the relevant minor heads below the sub major heads 02, 03, 04 as the cases may be.
- (7) This minor head will record expenditure of other Institutions of—higher learning not affiliated to any university e.g. Indian Institute of Management.
- (8) This minor head will record expenditure on orientation courses, summer seminars etc.
- (9) These minor heads will record expenditure on bringing out the cheap editions of textbooks for university and higher education and technical education.
- (10) This will include pre-primary, primary and middle school education.
- (11) This excludes teachers' training.
- (12) This will include pre-university education.

**MAJOR / SUB-MAJOR HEADS**  
**2203 Technical Education**

**MINOR HEADS**

001	Direction and Administration
003	Training
004	Research
101	Inspection
102	Assistance to Universities for Technical Education
103	Technical Schools (1)
104	Assistance to Non-Government Technical Colleges and Institutes
105	Polytechnics (1)
106	Book Promotion (2)
107	Scholarships
108	Examinations
112	Engineering/Technical Colleges and institutes (3)
800	Other expenditure

**Notes:**

- (1) The minor head "Technical schools" will record expenditure on schools imparting training and education in trades to pre-matric or middle school students. The minor head "Polytechnics" will record expenditure on institutions imparting education and training to post-matric students for a diploma course.
- (2) See note (9) below Major head 2202.
- (3) Will also include Management and Commercial Institutes.

**MAJOR / SUB-MAJOR HEADS****2204 Sports and Youth Services****MINOR HEADS**

001	Direction and Administration
101	Physical Education (I)
102	Youth Welfare Programmes for Students (2)
103	Youth Welfare Programmes for Non Students (2)
104	Sports and Games
800	Other expenditure

**Notes:**

- (1) Expenditure on Colleges of Physical Education affiliated to Universities or not will be recorded under this minor head.
- (2) This minor head will include expenditure on organisation of youth camps. Youth Hostels. National Cadet Corps, National discipline schemes etc. which will be recorded under distinct sub-heads.



**MAJOR / SUB-MAJOR HEADS**  
**2205 Art and Culture (I)**

**MINOR HEADS**

001	Direction and Administration
101	Fine Arts Education (2)
102	Promotion of Arts and Culture (3)
103	Archaeology (4)
104	Archives
105	Public Libraries (5)
106	Archaeological Survey (4)
107	Museums
108	Anthropological Survey
109	Certification of Cinematographic Films for public exhibition (6)
800	Other expenditure

**Notes:**

- (1) This major head will record transactions connected with promotion of art and culture, including educational institutions imparting education on art and culture.
- (2) This minor head will record expenditure on government institutions for imparting education in fine arts like Music, Drama, Art, Sculpture etc. and assistance to non-government institutions imparting such education.
- (3) This minor head will include expenditure relating to literary awards.
- (4) The minor head 'Archaeology' will record expenditure on the Department of Archaeology of the State Governments, while the minor head 'Archaeological Survey' will record expenditure on Archaeological Survey of India, including expenditure on preservation of ancient monuments etc.
- (5) This minor head will include expenditure on public libraries but not expenditure on libraries attached to educational institutions and departments.
- (6) This Minor Head will record expenditure on Film Censoring.

**(b) Health and Family Welfare**

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**2210 Medical and Public Health**

*01 Urban Health, Services-  
Allopathy*

001	Direction and Administration
102	Employees State Insurance Scheme (5)
103	Central Government Health Scheme
104	Medical Stores Depots (2)
108	Departmental Drug Manufacture (3)
109	School Health Scheme
110	Hospital and Dispensaries (1)
200	Other Health Schemes
800	Other expenditure

*02 Urban Health Services-  
Other systems of medicine (6)*

101	Ayurveda
102	Homeopathy
103	Unani
104	Siddha
200	Other Systems

*03 Rural Health Services-  
Allopathy*

101	Health Sub-centres
102	Subsidiary Health Centres
103	Primary Health Centres
104	Community Health Centres
110	Hospitals and Dispensaries
800	Other Expenditure

*04 Rural Health Services-  
Other Systems of medicine (6)*

101	Ayurveda
103	Unani
104	Siddha
200	Other Systems

*05 Medical Education,  
Training and Research (4)*

101	Ayurveda(10)
102	Homeopathy (10)
103	Unani(10)
104	Siddha(10)
105	Allopathy (10)
200	Other Systems (10) (11)

*06 Public Health*

001	Direction and Administration (12)
003	Training
101	Prevention and Control of diseases (7)
102	Prevention of food adulteration
104	Drug Control
106	Manufacture of Sera/Vaccine (8)
107	Public Health Laboratories (9)
112	Public Health Education
113	Public Health Publicity
200	Other Systems (11)
800	Other expenditure

*80 General*

004	Health Statistics & Evaluation
798	International Co-operation
800	Other expenditure

**Notes:**

- (1) This minor head will record expenditure on medical relief provided to general public through hospitals, dispensaries, primary health centres etc. Each major hospital may, if considered necessary, be treated as a separate sub head under this minor head, the other standard sub heads being "Other Hospitals", "Dispensaries", and "Primary Health Centres".
- (2) This minor head will record expenditure on establishment of Medical Stores Depots and also transactions connected with purchase of medicines, drugs, medical instruments and equipment etc., with suitable sub-heads if the Medical Stores Depots charge for the supplies made to hospitals, dispensaries etc. If on the other hand the Depots are intended only as a central procurement and stocking agency for the hospitals and dispensaries of the State, and supplies to the hospitals etc. are not charged for, the transactions on account of the purchase of medicines etc. may be recorded under the minor head '110-Hospital and Dispensaries' while the expenditure on the establishment of Medical Stores Depot may alone be recorded under this minor head
- (3) This minor head will include expenditure on departmental manufacture of common pharmaceutical preparations.
- (4) This sub-major head will record expenditure on medical schools, colleges etc., imparting medical education and nursing education. Expenditure on hospitals attached to Medical Colleges will be recorded under "Hospitals and dispensaries below" the sub-major heads '01' or '03' as the case may be.
- (5) This minor head will record expenditure incurred in hospitals, dispensaries etc. in connection with Employees' State Insurance Scheme.
- (6) The minor heads under the sub-major heads '01' and '03' may be opened as sub-heads, as deemed necessary under the minor heads under these sub-major heads, "02' & '04'.
- (7) Prevention and control of each major disease like Cholera, Leprosy, Malaria, Filaria etc. should be recorded under distinct sub heads with suitable detailed heads thereunder.
- (8) Will include expenditure on Pasteur Institute.
- (9) Will include expenditure on Chemical Examiner.
- (10) Divided into the following sub-heads;
  - (i) Education (including education in pharmacy)
  - (ii) Training
  - (iii) Research and evaluation
  - (iv) Other Expenditure
- (11) This includes Yoga also.
- (12) This includes expenditure on Port Health Establishment including Airport Organisation.

**MAJOR / SUB-MAJOR HEADS**  
**2211 Family Welfare**

**MINOR HEADS**

001	Direction and Administration (1)
003	Training (6)
004	Research and Evaluation (6)
101	Rural Family Welfare Services (7)
102	Urban Family Welfare Services (8)
103	Maternity and Child Health (2)
104	Transport (3)
105	Compensation
106	Mass Education (5)
108	Selected area Programmes (including India population project)
109	Reproductive and Child Health Programme (9)
190	Assistance to Public sector and other undertakings
200	Other Services and Supplies (4)
798	International Co-operation
800	Other expenditure

**Notes:**

(1) This minor head will record expenditure of (i) State Level Organisation (ii) City Family Welfare

Bureaus, and District Family Welfare Bureaus in the States. In the Centre the expenditure on the

following items is recorded under this Headquarters.

- (i) Technical Wing at Headquarters.
- (ii) Regional Health Offices and
- (iii) Other Offices.

(2) This minor head will include expenditure on (i) immunization of infants and preschool children against diphtheria, polio and typhoid and of expectant mothers against tetanus and (ii) prophylaxis against nutritional anemia for mothers and children and nutritional programme for control of blindness among children.

(3) This will cover expenditure on (i) maintenance of vehicles and supply of vehicles at Primary Health

Centres. (ii) Supply of additional vehicles for supervision at District Family Welfare Bureaus. (iii)

Supply of vehicles and equipment to regional Family Welfare Training Centres and (iv) Health

Transport Organisation at the Centre.

(4) This will cover expenditure under the items:

**State Sector**

- (i) Sterility Centres and Helpers Scheme:
- (ii) Supply of surgical equipment to rural and urban family welfare Centres;
- (iii) Maintenance of beds and static sterilization units:
- (iv) Conventional contraceptives;

- (v) Post Partam Centres;
- (vi) Supply of surgical equipment to selected hospitals;
- (vii) Construction of sterilization theatres;
- (viii) Selected Area Programme;
- (ix) Intensive District Programme; and
- (x) Establishment of additional beds.

**Central sector**

- (i) Expenditure on Family Welfare in Railways. P&T and Defence;
  - (ii) Nirodh Schemes;
  - (iii) Central Family Welfare Corps Doctors;
  - (iv) Awards and
  - (v) Vehicles, etc.
- (5) This will cover expenditure on
- (i) Mass education programme including orientation camps;
  - (ii) Mass mailing schemes and
  - (iii) Audio visual equipments and also expenditure incurred by the Ministry of Information and Broadcasting.
- (6) This will include expenditure under the following items

**State sector**

- (i) Regional Family Welfare centres in states (Old and *New*);
- (ii) Training of A.N.M.S and Dais and Local Health visitors;
- (iii) Training of personnel through I.M.A., Homoeopathic and ISM. Practitioners;
- (iv) Teaching of Family Welfare in medical colleges and
- (v) Demographic Research Centre.

**Central sector**

- (i) Central Family Welfare Field units;
  - (ii) Training of personnel through I.M.A.
  - (iii) Stipends to medical students;
  - (iv) Family Welfare Training Centres;
  - (v) Expenditure on L.S.M. and Homoeopathy and
  - (vi) Experimental project.
- (7) This will have the following sub-heads:
- (i) Village Health Guides;
  - (ii) Post Partam Centres;
- (8) This will include expenditure on Post Partam Centres.
- (9) This minor head will be divided into two sub-heads: -
- (i) National component
  - (ii) District/sub-Project component

(c) *Water Supply, Sanitation, Housing and Urban Development.*

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**2215 Water Supply and**

**Sanitation**

*01 Water Supply*

001	Direction and Administration
003	Training
004	Research
005	Survey and Investigation
052	Machinery and Equipment
101	Urban water Supply Programmes (1)
102	Rural water supply Programmes (2)
190	Assistance to Public Sector and other Undertakings
191	Assistance to Local Bodies, Municipalities etc.
799	Suspense
800	Other expenditure

*02 Sewerage and Sanitation*

001	Direction and Administration (3)
003	Training
004	Research
005	Survey and Investigation
052	Machinery and Equipment
105	Sanitation Services
106	Prevention of Air and Water Pollution
107	Sewerage Services (1)
191	Assistance to Local Bodies, Municipalities etc.
800	Other expenditure

Notes:

- (1) Each major scheme or group of small schemes will be recorded under distinct sub-Heads with suitable detailed heads.
- (2) This minor head will be sub-divided into the following sub-Heads:
  - (a) Accelerated rural water supply programme.
  - (b) Rural piped water supply Programme.
  - (c) Other rural water supply programme.
- (3) Will include expenditure on supervisory establishments for sanitation services.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2216 Housing (1)***02 Urban Housing*

(Each class of scheme will be a minor head)

- 103 Assistance to Housing Boards
- 104 Housing Co-operatives
- 190 Assistance to Public Sector and Other Undertakings (3)
- 800 Other expenditure

*03 Rural Housing*

(Each class of scheme will be a minor head)

- 102 Provision of house site to the landless
- 103 Assistance to Housing Boards
- 104 Housing Co-operatives
- 105 Indira Awaas Yojana
- 190 Assistance to Public Sector and Other Undertakings (3)
- 800 Other expenditure

*05 General Pool Accommodation*

- 001 Direction and Administration
- 052 Machinery and Equipment
- 053 Maintenance and Repairs (5)
- 799 Suspense
- 800 Other expenditure (6)

*06 Police Housing*

- 001 Direction and Administration
- 052 Machinery and Equipment
- 053 Maintenance and Repairs (5)
- 799 Suspense
- 800 Other expenditure (6)

*07 Other Housing*

- 001 Direction and Administration
- 052 Machinery and Equipment
- 053 Maintenance and Repairs (5)
- 799 Suspense
- 800 Other expenditure (6)

*80 General*

- 001 Direction and Administration
- 003 Training
- 052 Machinery and Equipment
- 101 Building Planning and Research
- 103 Assistance to Housing Boards, Corporations etc., (3)
- 190 Assistance to Public Sector and Other Undertakings (3)
- 800 Other expenditure

**Notes:**

- (1) See also Note (5) below the major heads "2230 Labour and Employment" and Note (1) below "2225 Welfare of Scheduled Castes, Scheduled Tribe and other Backward classes, for 'Labour Housing Schemes' and 'Housing Schemes for Welfare of Scheduled Castes, Scheduled Tribes and Other backward classes' respectively.

- (3) This minor head will record expenditure on assistance to Housing Boards, Corporations etc. not related to any particular scheme. Assistance for specific schemes e.g. slum clearance schemes, rental housing schemes, Subsidized Industrial Housing Schemes etc. will be recorded under the sub-major head 02 or 03 or 80.
- (i) Add the following Note (5) and (6) after the footnote (4) under this major head:-
- (5) This minor head may be divided into the following sub-heads: -
- (a) Work Charged Establishment
  - (b) Other maintenance expenditure
- (6) This minor head will have the following sub-heads: -
- (a) Construction
  - (b) Furnishing
  - (c) Lease Charges
  - (d) Estate Management
- (ii) Delete the sub-major head "01-Government Residential Buildings" and all the minor heads there under along with Note (2) below this major head.



**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2217 Urban Development (1)***01 State Capital**Development (3)*

001	Direction and Administration
051	Construction
052	Machinery and Equipment
053	Maintenance and Repairs
190	Assistance to Public Sector and Other Undertakings
191	Assistance to Local Bodies Corporations, Urban Development Authorities, Town Improvement Boards, etc.
800	Other expenditure

*02 National Capital Region*

001	Direction and Administration
051	Construction
052	Machinery and Equipment
053	Maintenance and Repairs
191	Assistance to Local bodies Corporations, Urban Development Authorities Town Improvement Boards etc.
800	Other expenditure

*03 Integrated Development  
of Small and Medium Towns*

001	Direction and Administration
051	Construction
052	Machinery and Equipment
053	Maintenance and Repairs
191	Assistance to Local bodies Corporations, Urban Development Authorities, Town improvement Boards etc
800	Other expenditure

*04 Slum Area Improvement*

001	Direction and Administration
051	Construction
052	Machinery and Equipment
053	Maintenance and Repairs
191	Assistance to Local Bodies Corporations, Urban Development Authorities, Town Improvement Boards etc.
800	Other expenditure

*05 Other Urban Development  
Schemes*

001	Direction and Administration
051	Construction
052	Machinery and Equipment
053	Maintenance and Repairs
191	Assistance to Local Bodies Corporations, Urban Development Authorities, Town Improvement Boards etc.
800	Other expenditure

*80 General*

001	Direction and Administration (2)
003	Training
004	Research
191	Assistance to Local Bodies, Corporations, Urban Development Authorities, Town Improvement Boards etc.
800	Other expenditure

**Notes:**

- (1) This major head will not include expenditure on Urban Housing schemes which will be booked under the major head "1-lousing".
- (2) This minor head will include expenditure relating to Municipal administration or other Urban Development Authority concerned.
- (3) A separate minor head will be opened for each state in which case the minor heads mentioned below the sub major head '01' will be sub -heads below that minor head.

***(d) Information and Broadcasting***

**MAJOR/SUB-MAJOR HEADS**

**MINOR HEADS**

**2220 Information and Publicity**

*01 Films (3)*

001	Direction and Administration (1)
003	Training
004	Research
105	Production of films
800	Other expenditure

*60 Others*

001	Direction and Administration
003	Research and Training in mass Communication
101	Advertising and visual Publicity
102	Information Centres (2)
103	Press Information Services
105	Registration of Newspapers
106	Field Publicity
107	Song and Drama Services
109	Photo Services
110	Publications
111	Community Radio and Television
112	Employment News
113	Monitoring Services
800	Other expenditure

**Notes:**

- (1) Will include the Directorate of Public Relations.
- (2) This will include general information services.
- (3) This Sub-Major head will record all activities relating to Film Division, Film Institute etc.

**(e) Welfare of Scheduled Castes, Scheduled Tribes  
and Other Backward Classes**

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**2225 Welfare of Scheduled  
Castes, Scheduled Tribes  
and other Backward classes**

*01 Welfare of Scheduled  
Castes*

001	Direction and Administration
102	Economic Development
190	Assistance to Public Sector and Other Undertakings
277	Education
282	Health
283	Housing (1)
793	Special Central Assistance for Scheduled Castes Component Plan

*02 Welfare of Scheduled  
Tribes*

001	Direction and Administration
102	Economic Development
190	Assistance to Public Sector and Other Undertakings
277	Education
282	Health
283	Housing (1)
794	Special Central Assistance for Tribal sub-Plan
800	Other expenditure

*03 Welfare of Backward  
Classes*

001	Direction and Administration
102	Economic Development
190	Assistance to Public Sector and Other Undertakings
277	Education
282	Health
283	Housing( 1)
800	Other expenditure

*80 General*

001	Direction and Administration
101	Welfare of denotified and other nomadic tribes
102	Aid to voluntary Organisations
190	Assistance to Public Sector and Other Undertakings
800	Other expenditure

**Note:**

- (1) This Minor head will include provision of house site to landless members of Scheduled Castes, Scheduled Tribes and Backward Classes.

**(f) Labour and Labour Welfare**

**MAJOR/SUB-MAJOR HEADS**

**MINOR HEADS**

**2230 Labour and Employment**

*01 Labour(1)*

001	Direction and Administration (2)
004	Research and Statistics
101	Industrial Relations (3)
102	Working Conditions and Safety (4)
103	General Labour Welfare (5)
104	Coal-Mines Labour Welfare
105	Mica Mines Labour Welfare
106	Iron/Manganese/Chrome Ore Mines Labour Welfare
107	Limestone and Dolomite Mines Labour Welfare
108	Dock Labour Welfare
109	Beedi Workers Welfare
110	Cine Workers Welfare
111	Social Security for labour (6)
112	Rehabilitation of Bonded labour
113	Improvements in Working Conditions of Child/Women labour
114	Welfare of emigrant labour (9)
115	Rural Labour (8)
195	Assistance to Labour Cooperatives
277	Education (7)
798	International Cooperation
800	Other expenditure

*02 Employment Service (10)*

001	Direction and Administration (II)
004	Research, Survey and Statistics
101	Employment Services
102	Assistance to the Urban poor
800	Other expenditure

*03 Training*

001	Direction and Administration
003	Training of Craftsmen & Supervisors
004	Research and Statistics
101	Industrial Training Institutes
102	Apprenticeship Training
800	Other expenditure

**Notes:**

- (1) The expenditure on Special Commissions of Enquiry relating to labour will be recorded under a distinct sub head under the programme minor heads to which the terms of reference to the Committee/Commission are closely related. Expenditure relating to International Labour Conference and other General National Conference on Labour may be recorded as part of expenditure of the Ministry. Contribution to the International Labour Organisation will be recorded under the minor head "International Co-operation. (See General direction No.3.2).

- (2) Includes Labour Commissioner and his establishment.
- (3) This minor head will include enforcement of labour laws, settlement of disputes and wage boards. These may be shown under separate sub heads under this head. Expenditure on Labour Courts and Industrial Tribunals will also be recorded under this minor head.
- (4) This minor head will include Directorate General of Factory Advice Service, Inspectorate of Factories, Inspector of Steam Boilers, Labour Institutes, Rescue Services, Director-General of Mines Safety under distinct sub-heads.
- (5) This minor head will record labour welfare measures not related to sectors covered by minor heads for Coal, Mica and Iron Ore Mines labour welfare. All these minor heads may have sub heads" Housing", "Education", "Health" etc. as the case may be.
- (6) This minor head will include government contributions towards social security measures for labour and industrial workers such as Family Pension-cum-Life Assurance scheme, Personal Injuries Compensation schemes etc.
- (7) This minor head will record expenditure on education, including workers' education programme, National Institute of Labour etc.
- (8) This minor head will be divided into the following sub-heads:
  - (i) National Commission on Rural Labour.
  - (ii) Rural Workers cell.
- (9) This will include services on Migratory Labour Recruiting Agencies for labour going abroad etc.
- (10) This does not include 'Urban Oriented Employment Programmes' which will be accounted for under the major head '3475-General Economic Services'.
- (11) This includes the expenditure on Directorate General of Employment and Training.

***(g) Social Welfare and Nutrition***

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**2235 Social Security and Welfare**

*01 Rehabilitation (1)*

001	Direction and Administration
101	Dandakamaya Development Scheme
102	Displaced persons from former West Pakistan
103	Displaced persons from former East Pakistan
105	Repatriates from Sri Lanka
108	Migrants from Pak-held Territories of Jammu & Kashmir
109	Development of Andaman and Nicobar Islands for Rehabilitation
110	Tibetan Refugees
112	Relief and Rehabilitation of persons affected by Indo-Pak Conflict 1971
140	Rehabilitation of repatriates from other countries
200	Other Relief Measures (2)
202	Other Rehabilitation Schemes
800	Other expenditure

*02 Social Welfare (3)*

001	Direction and Administration (6)
101	Welfare of handicapped
102	Child Welfare
103	Women's Welfare
104	Welfare of aged, infirm and destitute
105	Prohibition
106	Correctional Services
107	Assistance to Voluntary Organisations
108	Ex-gratia payments to Indian Nationals for properties seized by Pakistan during and after 1965 conflict
109	Pre- Vocational Training
190	Assistance to Public Sector and Other Undertakings
200	Other programmes
800	Other expenditure

*03 National Social Assistance Programme.*

101	National Old Age Pension Scheme.
102	National Family Benefit Scheme.
103	National Maternity Benefit Scheme.

*04 Debt Relief for farmers*

101	Debt Relief/Waiver of Agricultural Loans
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*60 Other Social Security and Welfare programmes*

101	Personal Accident Insurance Scheme for poor families (Each special Insurance Scheme will be a minor head)
102	Pensions under Social Security Schemes
103	Protected Savings Schemes

104	Deposit Linked Insurance scheme- Government P.F.
105	Government Employees Insurance Scheme (7)
106	Contributions to Solatiul Fund
107	Swatantrata Sainik Samman Pension Scheme
110	Other Insurance Schemes (4)
111	Government's contribution towards waiver of interest payable by farmers in debt stressed States of Andhra Pradesh, Karnataka, Kerala and Maharashtra
200	Other Programmes (5)
800	Other expenditure

**Notes:**

- (1) The expenditure on relief and rehabilitation of persons displaced as a result of natural calamities will be recorded under major head "2245 Relief on account of Natural calamities".
- (2) Will include expenditure on relief measures, as distinct from relief and rehabilitation schemes.
- (3) The grants given to Central Social Welfare Board and other Bodies should be recorded under the various minor heads provided under this sub-major head, if the purpose of the grants are distinguishable.
- (4) This minor head will include management expenditure of life and other Insurance Schemes run by State Governments.
- (5) This minor head will include expenditure on District Soldiers', Sailors' and Airmen's Welfare Boards, Legal Aid Committees, relief to persons affected by riots, ex-gratia payments to families of ministers, government servants etc dying in harness, and assistance to goldsmiths and their dependents. Expenditure out of compassionate fund will be adjusted under a separate sub-head "Payment from Compassionate Funds."
- (6) Expenditure on Direction and Administration pertaining exclusively to any of the minor heads mentioned under sub-major head "02-Social Welfare" will be booked to that minor head. Where it is not so. the expenditure will be booked to the minor head "Direction and Administration".
- (7) This minor head shall have distinct sub-heads for Central Government and each of the State / Union Territory Government to record transactions connected with the "Government Employees Insurance Scheme" in vogue in central and other State Government including Union Territory Governments.



**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2236 Nutrition***01 Production of Nutritious  
foods and Beverages*

101	Production of Nutritious Beverages
102	Fortifications of foods
190	Assistance to Public Sector and Other Undertakings
800	Other expenditure

*02 Distribution of nutritious  
food and beverages*

101	Special Nutrition programmes
102	Mid-day Meals
800	Other expenditure

*80 General*

001	Direction and Administration
004	Research & Development
101	Diet surveys and Nutrition planning
102	Nutrition education and extension
103	Statistics and evaluation
800	Other expenditure

**MAJOR / SUB-MAJOR HEADS****2245 Relief on account of  
Natural Calamities (1)***01 Drought***MINOR HEADS**

- 101 Gratuitous Relief (2)
- 102 Drinking Water Supply
- 103 Special Nutrition
- 104 Supply of Fodder
- 105 Veterinary Care
- 282 Public Health
- 300 Other expenditure
- 901 Deduct-Amount met from Natural Calamities unspent Margin Money Fund.
- 902 Deduct-Amount met from the Famine Relief Fund

*02 Floods, Cyclones etc.*

- 101 Gratuitous Relief (2)
- 102 Drinking Water Supply
- 104 Supply of Fodder
- 105 Veterinary care
- 106 Repairs and restoration of damaged roads and bridges
- 107 Repairs and restoration of damaged Government Office Buildings
- 108 Repairs and Restoration of damaged Government Residential buildings
- 109 Repairs and restoration of damaged water supply, drainage and sewerage works
- 110 Assistance for repairs and restoration of damaged water supply, drainage and sewerage works
- 111 Ex-gratia payments to bereaved families
- 112 Evacuation of population
- 113 Assistance for repairs/reconstruction of Houses
- 114 Assistance to Farmers for purchase of Agricultural inputs
- 115 Assistance to Farmers to clear sand/silt/salinity from land
- 116 Assistance to Farmers for repairs of damaged tube wells, pump sets etc.
- 117 Assistance to Farmers for purchase of live stock
- 118 Assistance for repairs/replacement of damaged boats and equipment for fishing
- 119 Assistance to artisans for repairs/replacement of damaged tools and equipments
- 120 Assistance to owners of salt works
- 121 Afforestation
- 122 Repairs and restoration of damaged irrigation and flood control works
- 193 Assistance to Local bodies and other non-Government Bodies/Institutions
- 282 Public Health

<i>03 Unspent Margin Money Fund</i>	101	Transfers to Reserve funds and Deposit Accounts-Natural Calamities unspent Margin Money Fund
<i>04 Famine Relief Fund</i>	101	Transfers to Reserve Funds and Deposit Accounts-Famine Relief Fund
<i>05 Calamity Relief Fund</i>	101	Transfer to Reserve Funds and Deposit Accounts-Calamity Relief Fund'.
	901	Deduct - Amount met from Calamity Relief Fund.
<i>06 Earth Quake</i>	101	Gratuitous Relief (2)
	102	Drinking Water Supply
	104	Supply of Fodder
	105	Veterinary Care
	106	Repairs and restoration of damaged roads & bridges
	107	Repairs and restoration of damaged Government office buildings
	108	Repairs and restoration of damaged Government residential buildings
	109	Repairs and restoration of damaged Water Supply, drainage and sewerage works
	110	Assistance for repairs and restoration of damaged water supply, drainage and sewerage works
	111	Ex-gratia payments to bereaved families
	112	Evacuation of population
	113	Assistance for repairs/reconstruction of houses
	114	Assistance to farmers for purchase of agricultural inputs
	115	Assistance to farmers to clear sand/silt/salinity from land
	116	Assistance to farmers for repairs of damaged tube wells/pump sets etc.
	117	Assistance to farmers for purchase of live stock
	118	Assistance for repairs/replacement of damaged boats and equipment for fishing
	119	Assistance artisans for repairs/replacement of damaged tools and equipments
	120	Assistance to owners of salt works
	121	Afforestation
	122	Repairs and restoration of damaged irrigation and flood control works
	282	Public Health
	901	Deduct-Amount met from State Disaster Response Fund
<i>80 General</i>	001	Direction and Administration
	101	Centre for Training in disaster preparedness
	102	Management of Natural Disasters, Contingency Plans in disaster prone areas
	103	Assistance to States from National Calamity Contingency Fund
	800	Other expenditure (3)

**Notes:**

(1) All expenditure incurred directly for the relief of distress shall be debited to this major head. Expenditure incurred indirectly due to any natural calamity shall be debited to appropriate functional major head.

(2) This will be sub-divided into:-

- |                              |  |
|------------------------------|--|
| (i) Cash doles               | (vi) Supply of seeds, fertilizers and<br>Agricultural implements |
| (ii) Food and clothing       | (vii) Supply of fodder   |
| (iii) Housing                | (viii) Other items   |
| (iv) Educational Concessions |  |
| (v) Supply of medicines      |  |

(3) This minor head will record expenditure on prevention of cattle epidemic and other miscellaneous expenditure not identifiable with other

*(h) Others*

**MAJOR/SUB-MAJOR HEADS**

**2250 Other Social Services**

**MINOR HEADS**

101	Donations for Charitable purposes
102	Administration of Religious and Charitable Endowments Acts
103	Upkeep of Shrines. Temples etc.
800	Other expenditure (1)

Note:

(1) This minor head will include expenditure on Public exhibitions, fairs and pilgrimage beyond India

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2251 Secretariat-Social Services**

090	Secretariat (1)
091	Attached Offices (2)
092	Other Offices (2)

## Notes:

- (1) See Note (1) below major head '2052 Secretariat-General Services'. Separate sub-heads may be opened in the different wings of the secretariat dealing with policy formulation etc. relating to functions falling in this sector.
- (2) See Note (2) below the major head '2052 Secretariat-General Services'.

## C. Economic services

### *(a) Agriculture and Allied Activities*

#### **MAJOR / SUB-MAJOR HEADS**

#### **MINOR HEADS**

#### **2401 Crop Husbandry**

001	Direction and Administration
102	Food grain crops
103	Seeds (1)
104	Agricultural Farms (2)
105	Manures and Fertilizers
106	Import of Fertilizers
107	Plant Protection
108	Commercial Crops (3)
109	Extension and Farmers' Training (4)
110	Crop Insurance
111	Agricultural Economics and Statistics
112	Development of Pulses
113	Agricultural Engineering (5)
114	Development of Oil Seeds
115	Scheme of Small/Marginal farmers and agricultural labour
119	Horticulture and Vegetable Crops (6)
129	Issue of Special Bonds to Fertilizers Companies as compensation towards fertilizer subsidy
195	Assistance to Farming Cooperation
798	International Co-operation
800	Other expenditure

#### **Note:**

- (1) This minor head will also record expenditure on seed farms.
- (2) This minor head will include expenditure on commercial farms and experimental farms other than seed farms (vide Note (1) above).
- (3) Expenditure on development of each type of commercial crop will be recorded under distinct sub-heads. Thus there will be distinct sub-heads for Jute, Cotton, Sugarcane, Potato, Tobacco, Coconut, Cashew, Arecanut, Pepper, Cardamom etc.
- (4) This minor head will record expenditure on information, publicity demonstration, farmers training and education.
- (5) This minor head will include expenditure on agency for the hire and servicing of agricultural machinery and implements including tractors.
- (6) This minor head will include expenditure on schemes relating to fruits, vegetables, Nurseries, Kitchen gardens and Orchards, and suitable sub-heads for individual scheme or a group of schemes may be opened, with appropriate grouping under "Fruits", "Vegetables" and "Nursery". It will, however, exclude expenditure on forest nursery which will be recorded under the major head '2406 Forestry and Wild life.'

**MAJOR / SUB-MAJOR HEADS****2402 Soil and Water  
Conservation****MINOR HEADS**

001	Direction and Administration
101	Soil Survey and Testing
102	Soil Conservation (1) (2)
103	Land reclamation and Development
109	Extension and Training
800	Other expenditure

**Notes:**

- (1) This minor head will include schemes relating to desert areas, saline, alkaline and water logged areas. reclamation of ravine, heavy rainfall areas and forest areas, besides bunding works on agricultural lands.
- (2) This will include a sub-head "Water Conservation".



**MAJOR / SUB-MAJOR HEADS**  
**2403 Animal Husbandry**

**MINOR HEADS**

001	Direction and Administration
101	Veterinary Services and Animal Health (1)
102	Cattle and Buffalo Development (2)
103	Poultry Development
104	Sheep and Wool Development
105	Piggery Development
106	Other Live Stock Development
107	Fodder and Feed Development
108	Insurance of Live Stock and Poultry
109	Extension and Training
111	Meat Processing
113	Administrative Investigation and Statistics
195	Assistance to Animal Husbandry Cooperatives
800	Other expenditure

**Notes:**

- (1) Will include expenditure on prevention and control of animal diseases.
- (2) This minor head will include cattle breeding, cattle shows etc.

**MAJOR / SUB-MAJOR HEADS**  
**2404 Dairy Development (I)**

**MINOR HEADS**

001	Direction and Administration
102	Dairy Development Projects (3)
109	Extension and Training
191	Assistance to Cooperatives and other Bodies (4) Each Milk Scheme will be a minor head (2)
800	Other expenditure

Notes:

- (1) This major head will include expenditure on Milk Supply Schemes.
- (2) (a) Each Milk Supply scheme which has been declared as commercial will be treated as a minor head and will have the following sub-heads with suitable detailed heads thereunder, as may be found necessary, viz.:
  - (i) Administration
  - (ii) Procurement
  - (iii) Processing
  - (iv) Distribution
  - (v) Land and Buildings
  - (vi) Other expenditure
- (b) Milk Supply Schemes which are not declared as commercial will however be treated as sub-head below the Minor Head "Diary Development Projects".
- (3) Operation Flood Project will be a Sub-head under this minor Head.
- (4) National Dairy Development Board will be a Sub-head under this minor head.

**MAJOR / SUB-MAJOR HEADS**  
**2405 Fisheries**

**MINOR HEADS**

001	Direction and Administration
101	Inland fisheries (1)
102	Estuarine / Brackish water Fisheries (1)
103	Marine Fisheries (2)
105	Processing, Preservation and Marketing
109	Extension and Training
110	Mechanisation and improvement of Fish Crafts
120	Fisheries Cooperatives
190	Assistance to Public Sector and Other Undertakings
195	Assistance to Shipping Credit and Investment Company and other bodies
800	Other expenditure (3)

**Notes:**

- (1) Landing and berthing facilities will be sub-heads.
- (2) In addition to sub-heads, as in Note (1) above, this minor head will have two more sub-heads viz., (i) off-shore fisheries and (ii) Deep sea fisheries. The latter covers pearl and chank fisheries.
- (3) Will include expenditure on aquarium and schemes for relief and welfare of fishermen.

**MAJOR/SUB.-MAJOR HEADS**  
**2406 Forestry and Wild Life**

**MINOR HEADS**

*01 Forestry*

001	Direction and Administration
003	Education and Training
004	Research
005	Survey and Utilization of Forest Resources
013	Statistics
070	Communications and Buildings
101	Forest Conservation, Development and Regeneration
102	Social and Farm Forestry (I)
105	Forest Produce
110	Expenditure on management of Ex-Zamindari Forest Estates
111	Departmental working of Forest Coupes and Depots
112	Rasin and Turpentine Factories (2)
190	Assistance to Public Sector & Other undertakings
800	Other expenditure

*02 Environmental Forestry  
and Wild Lift*

110	Wild Life Preservation
111	Zoological Park
112	Public Gardens
798	International Co-operation
800	Other expenditure

*04 Afforestation and Ecology  
Development*

101	National Afforestation and Ecology Development programme.
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**Notes:**

- (1) This minor head will include expenditure relating to grassland schemes, orchards etc. within the forest area. It also includes economic plantations and plantations of quick growing species such as Teakwood, Ecalyptus, Bamboo, Matchwood etc.
- (2) Each factory will be recorded as a minor head with suitable sub-head thereunder.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2407 Plantations***01 Tea*

015	Payment against collection of Cess
016	Subsidy for replantation
800	Other expenditure

*02 Coffee*

015	Payment against collection of Cess
016	Subsidies for Plantation
800	Other expenditure

*03 Rubber*

015	Payments against collection of Cess
800	Other expenditure

*04 Spices*

015	Payments against collection of Cess
800	Other expenditure

*60 Others*

533	Jute
811	Coconuts
813	Cashew
822	Cinchona
829	Arecanut
830	Tobacco

**MAJOR / SUB-MAJOR HEADS****2408 Food, Storage and Warehousing (I)***01 food***MINOR HEADS**

001	Direction and Administration
003	Training (4)
004	Research and evaluation (4)
101	Procurement and Supply (2)
101	Food Subsidies (3)
103	Food Processing
190	Assistance to Public Sector and Other Undertaking
195	Assistance to Co-operatives
798	International Co-operation
800	Other expenditure (5)

*02 Storage and Warehousing (6)*

001	Direction and Administration
003	Training (4)
004	Research and Evaluation (4)
101	Rural Godowns Programme
103	Assistance to Warehousing Development and Regulatory Authority
190	Assistance to Public Sector and Other Undertakings
195	Assistance to Co-operatives
800	Other expenditure

**Notes:**

- (1) This major head will be operated for the recording of expenditure of State Civil Supplies Department to the extent of their activities relating to procurement, storage and distribution of food grains and pulses. Expenditure on other activities of the State Civil Supplies Department will be recorded under the major head "3456-Civil supplies".
- (2) This minor head will record expenditure on trading schemes in food grains and pulses (including trading losses written off from Capital head). The element of subsidies under these schemes will be transferred and finally accounted for under the minor head 'Food subsidies'.
- (3) This minor head will include subsidy to the Food Corporation of India.
- (4) This minor head will include expenditure on Hapur Institute and Modern Rice Mills etc.
- (5) This minor head will include incidental expenses on Gift Food Grains from abroad.
- (6) This Sub-Major head will include expenditure on cold storage facilities for fruits and vegetables.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2415 Agricultural Research and Education***01 Crop Husbandry*

001	Direction and Administration
004	Research
120	Assistance to other Institutions
150	Assistance to I.C.A.R
277	Education
800	Other expenditure

*02 Soil and Water Conservation*

001	Direction and Administration
004	Research
120	Assistance to other Institutions
150	Assistance to I.C.A.R.
277	Education
800	Other expenditure

*03 Animal Husbandry*

001	Direction and Administration
004	Research
120	Assistance to other Institutions
150	Assistance to I.C.A.R
277	Education
800	Other expenditure

*04 Dairy Development*

001	Direction and Administration
004	Research
120	Assistance to other Institutions
150	Assistance to I.C.A.R.
277	Education
800	Other expenditure

*05 Fisheries*

001	Direction and Administration
004	Research
120	Assistance to other Institutions
150	Assistance to I.C.A.R
277	Education
800	Other expenditure

*06 Forestry*

001	Direction and Administration
004	Research
120	Assistance to other Institutions
150	Assistance to I.C.A.R
277	Education
800	Other expenditure

*07 Plantations*

001 Direction and Administration  
004 Research  
120 Assistance to other Institutions  
150 Assistance to I.C.A.R.  
277 Education  
800 Other expenditure

*80 General*

001 Direction and Administration  
004 Research  
015 Statistics  
120 Assistance to other Institutions  
150 Assistance to I.C.A.R.  
277 Education  
800 Other expenditure



**MAJOR / SUB-MAJOR HEADS**  
**2416 Agricultural Financial  
Institutions**

**MINOR HEADS**

(Each aided Institute will be a separate Minor Head)

**MAJOR / SUB-MAJOR HEADS**  
**2425 Co-operation (1)**

**MINOR HEADS**

001	Direction and Administration
003	Training
004	Research and Evaluation
101	Audit of Co-operatives
105	Information and Publicity
106	Assistance to multipurpose rural co-operatives
107	Assistance to credit co-operatives
108	Assistance to other co-operatives
109	Agriculture Credit Stabilization fund
190	Assistance to Public Sector and Other Undertakings
277	Cooperative Education (2)
800	Other expenditure

**Note:**

- (1) This major head will cover only such expenditure on co-operative ventures, which are of a Composite/General Type and cannot be properly identified with and classified under any of the various functional heads.
- (2) This minor head is intended to account for the transactions made to propagate the co-operative principles, ideology and philosophy amongst the members of Co-operative Societies.

**MAJOR/SUB-MAJOR HEAD**

**MINOR HEADS**

**2435 Other Agricultural Programmes**

*01 Marketing and quality control (1)*

- 101 Marketing facilities
- 102 Grading and quality control facilities
- 190 Assistance to Public Sector and Other Undertakings
- 800 Other expenditure

*60 Others*

- 101 Scheme for Debt relief to farmers.  
Each Programme not covered elsewhere in this sub-sector will be a minor head

**Note:**

(1) This sub major head will include expenditure on enforcement of Food Products Order, 1955 and the Cold Storage Order, 1965 to develop Food Products Industry and Cold Storage Industry on scientific lines and to make quality products available for internal market as well as for exports.

***(b) Rural Development***

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**2501 Special Programmes for Rural Development**

*02 Draught Prone Areas*

*Development Programme*

001	Direction and Administration
101	Minor Irrigation
102	Afforestation
103	Pasture Development
307	Soil and water conservation
310	Animal Husbandry and Dairying
800	Other expenditure

*03 Desert Development Programme*

001	Direction and Administration
101	Minor Irrigation
102	Afforestation
307	Soil and water conservation
310	Animal Husbandry and Dairying
800	Other expenditure

*04 Integrated Rural Energy Planning Programme*

003	Training
101	Development of Design and Approach for Area bound Block level IRE Projects
105	Project Implementation
109	Monitoring

*05 Waste Land Development*

101	National Waste Land Development Programme
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*06 Self Employment Programmes*

101	Swarnajayanti Gram Swarozgar Yojana
800	Other Expenditure

**MAJOR / SUB-MAJOR HEADS****2505 Rural Employment (1)***01 National Programmes**02 Rural Employment**Guarantee Scheme**60 Other programmes***MINOR HEADS**

702 Jawahar Gram Samridhi Yojan'

101 National Rural Employment Guarantee Scheme

Each Programme like employment guarantee scheme will be a minor head

**Note:**

- (1) Regarding urban oriented employment programmes, please see major head "2230-Labour and Employment- 02 Employment'.

**MAJOR / SUB-MAJOR HEADS**  
**2506 Land Reforms (1)**

**MINOR HEADS**

001	Direction and Administration
012	Statistics and Evaluation
101	Regulation of Land Holding and Tenancy
102	consolidation of Holdings (2)
103	Maintenance of Land Records
104	Assistance to allottees of surplus Land
800	Other expenditure

**Notes:**

- (1) This major head will include expenditure on land reforms relating to Agriculture Development and for the development and cultivation of ceiling surplus land assigned to the landless.
- (2) Expenditure on consolidation of holding for development of agriculture will be recorded under this head.

**MAJOR / SUB-MAJOR HEADS**  
**2515 Other Rural Development  
Programmes**

**MINOR HEADS**

001	Direction and Administration
003	Training
004	Research
101	Panchayati Raj
102	Community Development
103	Dry land Development Programme
104	DRDA Administration
105	Public Cooperation
800	Other expenditure

*(c) Special Areas Programmes*

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**2575 Other Special Area  
Programmes**

*02 Backward Areas*

*03 Tribal Areas*

*60 Others*

(Minor heads corresponding to functional major heads  
sub-major heads may be opened under the sub-major  
heads as necessary)



***(d) Irrigation and Flood Control***

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
<b>2700 Major Irrigation</b>	
Each Commercial Project will be a sub-major head	
	001 Direction and Administration
	052 Machinery and Equipment
	101 Maintenance and Repairs (1)
	799 Suspense
	800 Other Expenditure (2)
Each Non-Commercial Project will be a sub-major head	
	001 Direction and Administration
	052 Machinery and Equipment
	101 Maintenance and Repairs (1)
	799 Suspense
	800 Other Expenditure (2)
<b>80 General (3)</b>	
	001 Direction and Administration (4)
	002 Data Collection
	003 Training
	004 Research
	005 Survey
	006 Consultancy
	052 Machinery and Equipment
	190 Assistance to Public Sector and Other Undertakings
	799 Suspense
	800 Other Expenditure
	901 Deduct-Amount recovered from other Governments and agencies for common works

**Notes:**

1. This minor head will be sub-divided into the following sub-heads: -
  - (i) Work Charged Establishment
  - (ii) Other Maintenance Expenditure
2. This minor head will include interest on capital and expenditure on extension and improvements
3. Three sub-heads may be opened under the minor head 'Direction and Administration' below the sub-major head 80-General', to record the following expenditure: -
  - (i) Expenditure on common establishment not pertaining exclusively to any of the sub-major heads under this major head or the corresponding Capital major head.
  - (ii) Expenditure on common establishments not related to any particular project opened as minor head under various sub-major heads.
  - (iii) Expenditure on general planning and research connected with Irrigation, Navigation, Embankment and Drainage works.
4. This will include Regional Co-ordination.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2701****Medium Irrigation**

Each Commercial Project  
will be a sub-major head

001	Direction and Administration
052	Machinery and Equipment
101	Maintenance and Repairs (1)
799	Suspense
800	Other Expenditure (2)

Each Non-Commercial Project  
will be a sub-major head

001	Direction and Administration
052	Machinery and Equipment
101	Maintenance and Repairs (1)
799	Suspense
800	Other Expenditure (2)

*80 General (3)*

001	Direction and Administration (4)
002	Data Collection
003	Training
004	Research
005	Survey
006	Consultancy
052	Machinery and Equipment
190	Assistance to Public Sector and Other Undertakings
799	Suspense
800	Other Expenditure
901	Deduct-Amount recovered from other Governments and agencies for common works

**Notes:**

- This minor head will be sub-divided into the following sub-heads: -  
(iii) Work Charged Establishment  
(iv) Other Maintenance Expenditure
- This minor head will include interest on capital and expenditure on extension and improvements.
- Three sub-heads may be opened under the minor head 'Direction and Administration' below the sub-major head 80-General', to record the following expenditure: -  
(i) Expenditure on common establishment not pertaining exclusively to any of the sub-major heads under this major head or the corresponding Capital major head.  
(ii) Expenditure on common establishments not related to any particular project opened as minor head under various sub-major heads.  
(iii) Expenditure on general planning and research connected with Irrigation, Navigation, Embankment and Drainage works.
- This will include Regional Co-ordination.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2702 Minor Irrigation**

- (i) Insert the following sub-major heads and minor heads there under after the existing sub-major head

02 Ground Water:-

03 Maintenance

101	Water Tanks (2)
102	Lift Irrigation Schemes (2)
103	Tube wells (2)

- (ii) Add the following Note (2) under this major head:

(2) This minor head may be divided into the following sub-heads:

- (a) Work Charged Establishment  
(b) Other maintenance expenditure

- (iii) Delete the minor head  
'101 Water Tanks' and  
'102 Lift Irrigation Schemes'  
below the sub-major head  
'01 Surface Water' and minor head  
'103 Tube wells' below the sub-major head  
'02 Ground Water' under this major head.

**MAJOR / SUB-MAJOR HEADS**

**2705 Command Area  
Development (1)**

**MINOR HEADS**

Each command Area Development Authority will be a  
minor head

**Note:**

- (1) This major head is intended for recording expenditure on programmes for integrated development of selected command areas within the command of the major river valley projects and integrated development of agriculture and allied activities in other special areas such as dry areas, desert areas, hill areas etc. These programmes may be not only related to development of agriculture in these selected areas, but also other allied activities like development of fisheries, animal husbandry, link roads, storage, processing facilities for agricultural commodities, creation of marketing complexes etc.

**MAJOR I SUB-MAJOR HEADS****2711 Flood Control and Drainage***01 Flood Control***MINOR HEADS**

001 Direction and Administration  
050 Land  
052 Machinery and Equipment  
103 Civil Works  
799 Suspense  
800 Other expenditure

*02 Anti-sea Erosion Projects*

001 Direction and Administration  
050 Land  
052 Machinery and Equipment  
103 Civil Works  
799 Suspense  
800 Other expenditure

*03 Drainage*

001 Direction and Administration  
050 Land  
052 Machinery and Equipment  
103 Civil Works  
799 Suspense  
800 Other expenditure

**(e) Energy**

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**2801 Power**

*01 Hydel Generation*

001 Direction and Administration  
005 Investigation  
052 Machinery and Equipment  
101 Purchase of Power  
799 Suspense  
800 Other expenditure Each Hydroelectric Scheme will be a minor head (1).

*02 Thermal Power Generation*

001 Direction and Administration  
005 Investigation  
052 Machinery and Equipment  
101 Purchase of Power  
102 Badarpur Thermal Power Station.  
799 Suspense  
800 Other expenditure Each Thermal Power Scheme (2)

*03 Nuclear Power Generation*

001 Direction and Administration  
005 Investigation  
052 Machinery and Equipment  
101 Fuel Inventory  
103 Waste Management  
799 Suspense  
800 Other expenditure Each Nuclear Power Scheme

*04 Diesel/Gas Power Generation*

001 Direction and Administration  
005 Investigation  
052 Machinery and Equipment  
799 Suspense  
800 Other expenditure Each Diesel/Gas Power Scheme(3)

*05 Transmission and Distribution (4)*

001 Direction and Administration  
005 Investigation  
052 Machinery and Equipment  
799 Suspense  
800 Other expenditure Each Transmission! Distribution Scheme

<i>06 Rural / Electrification</i>	001	Direction and Administration
	005	Investigation
	052	Machinery and Equipment
	101	Purchase of Power
	799	Suspense
	800	Other expenditure
<i>80 General</i>	001	Direction and Administration
	003	Training
	004	Research and Development
	005	Investigation
	101	Assistance to Electricity Boards (5)
	800	Other expenditure

**Notes:**

- (1) The sub-heads will be (i) Head Works (ii) Hydra-Electric Installation, (iii) Transmission.
- (2) The sub heads will be (i) "Power House and Ancillary Works", (ii) "Transmission and Distribution".
- (3) The sub-heads will be (i) Power Plant and Ancillary Works, (ii) Transmission and Distribution.
- (4) This sub-major head is intended to record common "Transmission and Distribution Schemes", if any, which cater to either Hydro, Thermal or Diesel schemes, and cannot be identified with the particular type of generation system.
- (5) Recoveries of overpayments of Assistance to Electricity Boards shall be adjusted under distinct sub-head "Deduct-Recoveries of overpayments of Assistance" below this major head.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2810 New and Renewable Energy***01 Bio-energy*

001	Direction and Administration
003	Training
004	Research and Development
101	Grid Interactive and Distributed Renewable Power
102	Renewable Energy for Rural Applications
103	Renewable Energy for Urban, Industrial & Commercial Applications
104	Research, Design & Development in Renewable Energy
105	Supporting Programmes
800	Other expenditure

*02 Solar*

101	Grid Interactive and Distributed Renewable Power
102	Renewable Energy for Rural Applications
103	Renewable Energy for Urban, Industrial & Commercial Applications
104	Research, Design & Development in Renewable Energy
105	Supporting Programmes
800	Other expenditure

*03 Wind*

004	Research and Development
101	Grid Interactive and Distributed Renewable Power
102	Renewable Energy for Rural Applications
103	Renewable Energy for Urban, Industrial & Commercial Applications
104	Research, Design & Development in Renewable Energy
105	Supporting Programmes
800	Other expenditure

*60 Others*

101	Grid Interactive and Distributed Renewable Power
102	Renewable Energy for Rural Applications
103	Renewable Energy for Urban, Industrial & Commercial Applications
104	Research, Design & Development in Renewable Energy
105	Supporting Programmes
600	Other Sources of Energy.
800	Other expenditure



**(f) Industry and Minerals**

**MAJOR/SUB-MAJOR HEADS**

**MINOR HEADS**

**2851 Village and Small  
Industries (1)**

001	Direction and Administration (2)
003	Training (2)
004	Research and Development (2)
101	Industrial Estates (3)
102	Small Scale Industries
103	Handloom Industries
104	Handicraft Industries
105	Khadi and Village Industries
106	Coir Industries
107	Sericulture Industries
108	Powerloom Industries
109	Monitoring and Evaluation
110	Composite village and Small Industries and Co-operatives
111	Employment Scheme for Unemployed Educated Youths
200	Other Village Industries
800	Other expenditure

**Notes:**

- (1) The working Expenses of departmental commercial undertakings relating to 'Village and Small Industries' may be recorded under suitable sub-heads as indicated below :-
  - Management
  - Operation and maintenance
  - Renewals and replacements
  - Buildings
  - Machinery and equipment
  - Other expenditure (to record interest on capital and contribution to hinds etc.)Co-operation for specific industry will be booked under a separate sub-head (e.g.) Handloom Co-operatives, Sericulture Co-operatives etc
- (2) This 'minor heads' will be down graded to the level of sub-heads when expenditure on them is solely for a specific industry (e.g.) Handloom, Handicrafts, Coir etc.
- (3) This minor head will record expenditure on the management and maintenance of Industrial Estates. There will be a distinct sub-head for each Industrial Estate. Expenditure on Government Units in the Industrial Estates, will however, be recorded under the relevant programme minor heads under this major head.

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>2852 Industries (1)</b>		
<i>01 Iron and Steel Industries (2,)</i>	101	Mining
	105	Manufacture
<i>02 Cement and Non-metallic Mineral Industries (2,)</i>	205	Cement
	600	Others
<i>03 Fertilizer Industries</i>	004	Research and Development
	101	Fertilizer Subsidy
	129	Issue of Special Bonds to Fertilizers Companies as compensation towards fertilizer subsidy
	800	Other expenditure
<i>04 Petrochemical industries</i>		
<i>05 Chemical and Pharmaceutical Industries</i>	205	Chemicals and Pesticides
	206	Drugs and Pharmaceuticals
<i>06 Engineering Industries(2)</i>	101	Other Industrial machinery Industries
	102	Transport Equipment Industries
	103	Other Engineering Industries
	203	Electrical Engineering Industries
<i>07 Telecommunication and Electronic Industries</i>	101	Telecommunications
	202	Electronics
	800	Other expenditure
<i>08 Consumer industries (3)</i>	101	Edible Oils
	201	Sugar
	202	Textiles
	204	Leather
	206	Distilleries
	215	Paper and Newsprint
	600	Others (4)
<i>09 Atomic Energy industries</i>	001	Direction and Administration
	101	Isotopes
	102	Atomic Fuels
	103	Thorium Extraction
	104	Fabrication of Equipment
	106	Waste Treatment Facilities
	200	Common Facilities
	201	Atomic Minerals Development
	202	Nuclear Fuel Complex

203	Fuel Reprocessing
204	Heavy Water Plant
208	Rare Earth Development
209	Centre for Advanced Technology
800	Other expenditure

*80 General*

001	Direction and Administration
003	Industrial Education-Research and Training
101	Standardisation and Quality Control
102	Industrial Productivity
103	'Tariff arid Price Regulation
800	Other expenditure

**Notes:**

- (1) Each departmental commercial undertaking will appear as a minor head under the sub-major heads appropriate to the nature of industry developed by the undertaking. The minor head for each departmental commercial undertaking may have the following standard sub heads with suitable detailed heads thereunder:-
 

Management	Machinery and Equipment
Operation and Maintenance	Suspense
Renewals and Replacements	Other expenditure
Buildings	
- (2) The minor heads under these sub-major heads will include expenditure on regulation and development of the categories of industries represented by them.
- (3) The minor heads under this sub-major head have the following sub-heads:-
 

Direction and Administration
Research and Development
Subsidies
Assistance to cooperatives
Other expenditure
- (4) Will include Vanaspati Food Beverages, Jute, Salt, Photo films, Soap, Plastics as sub-heads.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2853 Non ferrous Mining and metallurgical Industries***01 Geological Survey of India*

001	Direction and Administration (1)
003	'Training
004	Research and Development
005	Investigation
101	Survey and Mapping
102	Mineral Exploration
200	Other Explorations
800	Other expenditure

*02 Regulation and Development of Mines*

001	Direction and Administration (1)
003	Training
004	Research and Development
101	Survey and Mapping
102	Mineral Exploration
104	Bureau of Mines
190	Assistance to Public Sector and other undertakings for Mineral Exploration
800	Other expenditure (2)

**Notes:**

- (1) This will include expenditure on the administration of Section 16 of the Mines and Minerals Regulation Act.
- (2) This minor head will record miscellaneous expenditure which is not allocable to the other prescribed minor heads, such as payment to Railways on account of freight concessions etc.

**MAJOR / SUB-MAJOR HEADS****2875 Other Industries***01 Opium and Alkaloid  
Industries**60 Other Industries***MINOR HEADS**

001 Direction and Administration

190 Assistance to Public Sector and Other Undertakings

800 Other expenditure

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****2885 Other Outlays on Industries  
and Minerals***01 Industrial Financial in  
Institutions*

101

Assistance to Industrial Finance Institutions

102

Payments to Development Bank out of the  
Research and Development Cess.

800

Other Expenditure

*02 Development of  
Backward Areas*

101

Subsidies

800

Other expenditure

*60 Others*

800

Other expenditure

**MAJOR / SUB-MAJOR HEADS**  
**3051 Ports and Light Houses**

**MINOR HEADS**

*01 Major Ports*

001	Direction and Administration
005	investigation (1)
101	Construction and Repairs
102	Port Management (2)
103	Dredging and Surveying (3)
104	Piloting (4)
105	Dockyard and Dry docking (5)
106	Stevedoring (6)
107	Ferry Services (7)
108	Assistance to Port Trusts
800	Other expenditure

*02 Minor Ports*

001	Direction and Administration
005	Investigation (1)
101	Construction and Repairs
102	Port Management (2)
103	Dredging and Surveying (3)
104	Piloting (4)
105	Dockyard and Dry docking (5)
106	Stevedoring (6)
107	Ferry Services (7)
800	Other expenditure

*03 Light Houses and Light Ships*

001	Direction and Administration
101	Light Houses - Working Expenses
102	Light Ships - Working Expenses
800	Other expenditure

*80 General*

001	Direction and Administration
003	Training
004	Research and Development
190	Assistance to Public Sector & Other Undertakings
800	Other expenditure

**Notes:**

- (1) This minor head will record expenditure on preliminary investigations not related to any specific capital project.
- (2) This minor head will record expenditure on administrative, engineering and other staff, which cannot be adjusted under the other minor heads.
- (3) This minor head will record expenditure on Dredging and Survey Organisation operation of dredgers and also payments to other parties for dredging and survey works.
- (4) This minor head will record expenditure on pilotage operations including salary of staff employed.
- (5) This minor head will record operating expenses of dockyards including work-shops attached to them.
- (6) This minor head will record expenditure on stevedoring staff and also cost of casual labour employed for stevedoring where stevedoring is done departmentally.
- (7) This minor head will record expenditure on running harbour ferry services including salaries and wages, petrol oil and lubricant charges, repairs to crafts etc.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****3053 Civil Aviation (8)***01 Air Services*

190	Assistance to Public Sector and Other Undertakings(7)
191	Schemes for NE Region
800	Other expenditure

*02 Air Ports*

102	Aerodromes (3)
190	Assistance to Public Sector and Other Undertakings
800	Other expenditure

*60 Other Aeronautical Services*

101	Communications (4)
102	Navigation and Air Route Services (3)
103	Safety
104	Traffic Control
800	Other expenditure

*80 General*

001	Direction and Administration (1)
003	Training and Education (5)
004	Research and Development (6)
101	Inspection (2)
283	Housing
800	Other expenditure

**Notes:**

- (1) This minor head will record expenditure on Director General of Civil Aviation and his headquarters establishment.
- (2) This minor head will record expenditure on inspection, issue of airworthiness certificates, registration of aircrafts and investigation of accidents.
- (3) This minor head will record expenditure on maintenance and management of terminal buildings, runways, aprons, taxi tracks etc.
- (4) This minor head will record expenditure on provision of aeronautical communication, radio aids to navigation and other facilities for operation of civil aircrafts.
- (5) This minor head will record expenditure on training in aviation including subsidies to flying clubs.
- (6) This minor head will record expenditure on type certification, laying down of design evaluation, development of indigenous equipment etc.
- (7) This minor head will record expenditure on subsidies to the corporations and passengers with a view to develop air transport.
- (8) Planes purchased by State Governments for use of high dignitaries should be classified as part of the general administrative expenditure of the Government and not under this major head.



**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****3054 Roads and Bridges***01 National Highways*

052	Machinery and Equipment
101	National Highways Permanent Bridges (3)
104	National Highways Urban Links (4)
337	Road works
799	Suspense
800	Other expenditure

*02 Strategic and Border Roads*

052	Machinery and Equipment
102	Bridges
337	Road works
799	Suspense
800	Other expenditure

*03 State High ways'*

052	Machinery and Equipment
102	Bridges
103	Maintenance and Repairs (5)
337	Road works
799	Suspense
800	Other expenditure

*04 District and Other Roads' (2)*

105	Maintenance and Repairs (6.)
337	Road works
338	Pradhan Mantri Gram Sadak Yojana
800	Other expenditure

*05 Roads of Inter State or Economic Importance*

052	Machinery and Equipment
102	Bridges
537	Roadworks
799	Suspense
800	Other expenditure

*80 General*

001	Direction and Administration (1)
004	Research and Development
052	Machinery and Equipment
107	Railway Safety Works
190	Assistance to Public Sector and Other Undertakings
797	Transfers to/from Reserve Fund/Deposit Account
799	Suspense
800	Other expenditure

**Notes:**

- (1) This minor head will record expenditure on general establishment. The actual cost of construction, development, maintenance and repairs will be accounted for under distinct sub-heads below the respective minor heads, e.g. "Planning and Research" to "Railway Safety Works".
- (2) Separate sub-heads may be opened for "District Roads" and "Rural Roads".
- (3) The cost of collection of fees will be accommodated under a sub-head "Cost of Collection of fees payable to State/UT Governments". This sub-head will be relieved simultaneously by transfer from "National Highways Permanent Bridges Fees Fund"- vide Note (I) below the major head "8225 Roads and Bridges Fund –01 National Highways Permanent Bridges Fees Fund".
- (4) This minor head to be operated in the State Books, records expenditure on development and maintenance of "Urban Link Roads" connected with National Highways falling within a State. Reimbursement of such expenditure, depending upon the terms of agreement in each case should be exhibited as a recovery below the line under this head.
- (5) This minor head will be sub-divided into the following sub-heads: -
  - (i) Work Charged Establishment - Machinery and Equipment
  - (ii) Work Charged Establishment - Bridges
  - (iii) Work Charged Establishment - Road Works
  - (iv) Other Maintenance Expenditure - Machinery and Equipment
  - (v) Other Maintenance Expenditure - Bridges
  - (vi) Other Maintenance Expenditure - Road Works
- (6) This minor head will be sub-divided into the following sub-heads: -
  - (i) Work Charged Establishment - Road Works
  - (ii) Other Maintenance Expenditure - Road Works

**MAJOR / SUB-MAJOR HEADS****3055 Road Transport****MINOR HEADS**

001	Direction and Administration (1)
003	Training (3)
004	Research (3)
101	Solatum Fund Authority
190	Assistance to Public Sector and Other Undertakings(2)
800	Other expenditure
	Each Departmental undertaking will be a minor head (4)

**Notes:**

- (1) This minor head will record expenditure on Road Transport/Directorates, Regional offices etc.
- (2) This minor head will record grants and subsidies to Road Transport/Services.
- (3) This minor head will record expenditure on road transport training and research.
- (4) Expenses on each Government run transport service will be recorded under the following sub-heads with suitable detailed heads thereunder:-
  - (a) Management
  - (b) Operation
  - (c) Repairs and Maintenance
  - (d) Users' facilities
  - (e) Buildings
  - (f) Other expenditure (will include interest on Capital and Contribution to Funds).

**MAJOR / SUB-MAJOR HEADS**  
**3056 Inland Water Transport**

**MINOR HEADS**

001	Direction and Administration (1)
003	Training and Research (3)
101	Hydrographic Survey
104	Navigation
105	Landing Facilities
190	Assistance to Public Sector and Other Undertakings (2) Each Departmental undertaking will be a minor head (4)
800	Other expenditure (5)

**Notes:**

- (1) This minor head will record expenditure on Water Transport Directorates, Regional offices etc.
- (2) This minor head will record grants and subsidies to Water Transport Services.
- (3) See Note (3) below the major head '3055 Road Transport.
- (4) See Note (4) below the major head '3055-Road Transport.
- (5) This minor head will include expenditure on development of inland ports etc.

**MAJOR / SUB-MAJOR HEADS**  
**3075 Other Transport Services**  
*01 River Training Works*

**MINOR HEADS**

600 Other River Training Works

*60 Others*

001 Direction and Administration  
003 Training  
004 Research  
800 Other expenditure

**MAJOR / SUB-MAJOR HEADS****3425 Other Scientific Research***01 Survey of India*

001	Direction and Administration
003	Training
101	Topographical Survey
102	Assistance to Scientific bodies
103	Publications of map, charts, reports etc.
104	Surveys of Developmental Projects
283	Housing
800	Other expenditure

*02 Pharmaceutical Research*

101	Assistance to Pharmaceutical Research
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*60 Others*

001	Direction and Administration
004	Research and Development
101	National IIT Houses
102	National Atlas and Thematic Mapping Organisation
151	Assistance to Council of Scientific and Industrial Research
200	Assistance to other Scientific bodies
600	Other Schemes
800	Other expenditure (1)

**Note:**

- (1) This minor head will record expenditure on National Research Professors, encouragement to research scholars etc.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****3435 Ecology and Environment***01 Survey (Botanical)*

001	Direction and Administration
004	Research
005	Investigation
800	Other expenditure

*02 Survey (Zoological)*

001	Direction and Administration
003	Training
004	Research
005	Investigation
800	Other expenditure

*03 Environmental Research  
and Ecological Regeneration*

003	Environmental Education/ Training/Extension
101	Conservation Programmes
102	Environmental Planning and Coordination
103	Research and Ecological Regeneration
798	International Cooperation

*04 Prevention and Control of  
Pollution*

101	Prevention of pollution of National Rivers
103	Prevention of air and water pollution (Each such scheme relating to other rivers in the country, if and when undertaken will be a minor head)
104	Impact Assessment
800	Other expenditure

*60 Others*

800	Other expenditure
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*(j) General Economic Services*

**MAJOR /SUB-MAJOR HEADS**

**MINOR HEADS**

**3451 Secretariat-Economic  
Services (1)**

090	Secretariat (1)
091	Attached Offices (2)
092	Other Offices (2)
101	Planning Commission / Planning Board
102	District Planning Machinery

**Notes:**

- (1) Sec Note (1) under 2052- Secretarial-General Services
- (2) See Note (2) under 2052- Secretariat-General Services



**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****3452 Tourism***01 Tourist Infrastructure (1)*

101	Tourist Centre (2)
102	Tourist Accommodation
103	Tourist Transport service(4)
190	Assistance to Public Sector and Other Undertakings
800	Other expenditure

*80 General*

001	Direction and Administration
003	Training
104	Promotion and Publicity (3)
798	International Cooperation
800	Other expenditure

**Notes:**

- (1) This Sub-Major head will record expenditure on repairs and maintenance of tourist bungalows, hotels etc. under concerned minor heads.
- (2) This minor head will record expenditure on repairs and maintenance facilities at tourist centres, excluding that allocable to other minor heads e.g. expenditure on a bus shelter or booking office will be recorded under "Tourist Transport Service".
- (3) This minor head will record expenditure on Tourist organisation except those allocable to other minor heads *and* also publicity either direct or through other bodies.
- (4) This minor head will record expenditure on the purchases and repairs of vehicles as well as operational expenditure of Tourist Transport services including subsidies to agencies operating Air, Road and Water Transport services for Tourists.

**MAJOR / SUB-MAJOR HEADS****3453 Foreign Trade and Export  
Promotion****MINOR HEADS**

101	Foreign Trade Control
102	Trade Representation (1)
103	Trade Information and Statistics (2)
104	Trade demonstration and publicity
105	Quality Control of Exports
106	Administration of Export Promotion Schemes (3)
107	Export Subsidy (5)
190	Assistance for Public Sector and other undertakings
194	Assistance for export promotion and market Development (4)
798	International Cooperation
800	Other expenditure

**Notes:**

- (1) This minor head will record expenditure on Trade Commissioners abroad.
- (2) Tills minor head will record expenditure on commercial intelligence and statistics.
- (3) This minor head will record expenditure of the Directorate of Export Promotion.
- (4) Tills minor head will record assistance to Export Promotion Bodies and for market development but excludes items relating to the minor head "Export subsidy".
- (5) This minor head will record expenditure on export subsidy schemes of all Ministries.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****3454 Census Surveys and Statistics***01 Census*

001	Direction and Administration
101	Computerization of census Data
800	Other expenditure

*02 Surveys and Statistics*

110	Gazetted and Statistical Memoirs
111	Vital Statistics (1)
112	Economic Advice and Statistics
201	National Sample Survey Organisation
202	Indian Statistical Institute
203	Computer Services
204	Central Statistical Organisation
205	State Statistical Agency
206	Unique Identification Scheme
800	Other expenditure

**Note:**

(1) Includes the organisation of "Registrar of Births, Deaths and Marriages."

**MAJOR / SUB-MAJOR HEADS****3455 Meteorology (1)****MINOR HEADS**

001	Direction and Administration
003	Training
004	Research and Development (3)
101	Satellite Services (will include space and ground equipment exclusively provided for meteorology)
102	Observatories and Weather Stations
104	Instrumentation (2)
200	Other Meteorological Services
798	International Cooperation
800	Other expenditure

**Notes:**

- (1) This major head will record expenditure on all meteorological services including Aviation, Agriculture Meteorology , Hydrometeorology, Seismological services and Agency Services.
- (2) This minor head will record expenditure on development, manufacture, calibration and repairs of the various instruments.
- (3) These minor heads will record expenditure on Research and Training not forming part of other minor heads.

**MAJOR / SUB-MAJOR HEADS**  
**3456 Civil Supplies (1)**

**MINOR HEADS**

001	Direction and Administration
101	Inspection
102	Civil Supplies Scheme
103	Consumer Subsidies
104	Consumer Welfare Fund (2)
190	Assistance to Public Sector and Other Undertakings
195	Assistance to Consumers' Cooperatives in Rural Areas
196	Assistance to Consumers' Cooperatives in Urban Areas
800	Other expenditure

**Note:**

- (1) Please see Note (1) below the major head '2408-Food, Storage and Warehousing' and '2057-Supplies and Disposals'. This Major Head will record expenditure on civil supply schemes other than those relating to food grains and pulses, such as on procurement and distribution of vanaspati, edible oils, kerosene cement etc. The element of subsidies in respect of these schemes will be transferred and finally adjusted under the minor head "Consumer Subsidies".
- (2) 'This head will accommodate the direct expenditure of the Government', including expenditure of union territories without legislature (Delhi, Chandigarh etc.) and grants-in-aid to autonomous bodies and institutions. Grants assistance to be provide to States and Union Territory Governments, out of the 'Consumer Welfare Fund', may be classified under relevant sub-major and minor heads below major heads '3601 - Grants-in-aid to State Governments' and '3602 - Grants-in-aid to Union Territory Governments'.

**MAJOR / SUB-MAJOR HEADS**  
**3465 General Financial and  
Trading Institutions**  
*01 General Financial  
institutions*

**MINOR HEADS**

190	Assistance to General Financial Institutions
800	Other expenditure
<i>02 Trading Institutions</i>	
101	Trading operation in Liquors etc. (1)
192	Assistance to Trading Institutions
800	Other expenditure

**Note:**

- (1) Expenditure incurred on Trading Operation relating to Liquor etc. by State/Union Territories which purchase and sell Liquor Country Spirits, Country Fermented Liquors etc. will be booked under this minor head.

**MAJOR / SUB-MAJOR HEADS**  
**3475 Other General Economic Services**

**MINOR HEADS**

101	Regulation of Monopolies and Restrictive Trade Practices
102	Regulation of Patents, Designs and Trade Marks
103	Quality Control and Standardisations
105	Regulation of Joint Stock Companies
106	Regulation of Weights and Measures
107	Regulation of Markets
108	Urban Oriented Employment Programmes (5)
109	Nehru Rozgar Yojana.
110	Exchange loss under Foreign Currency (Non - Resident) Accounts Scheme".
111	Exchange Loss under Resurgent India Bonds
112	Exchange Loss under Indian Millenium Deposits
113	Fees to portfolio management of investments from National Investment Fund
114	Debt Relief Schemes
200	Regulation of Other Business Undertakings (3)
201	Land Ceilings (other than agricultural land)( 1)
798	International Cooperation
800	Other expenditure (4)

**Notes:**

- (1) This minor head will include compensation (including amounts initially debited to capital major head "5475 Capital Outlay on Other General Economic Services" transferred to revenue), and administrative expenditure for enforcing the land ceiling laws for which separate sub-heads may be opened.
- (2) This minor head will include expenditure on official Liquidators under companies Act, Regional Directors, Company Law Board and Court Liquidators under Banking Companies Act.
- (3) This minor head will include expenditure on Controller of Insurance, Administration of Indian Partnership Act, Money Lenders Act and Chit Fund Act.
- (4) This minor head includes inter-alia (i) Payments against Tax Credit Certificates and (ii) Expenditure on trade representatives of State Governments. Expenditure connected with Emergency Risk (Goods) Insurance Scheme/Emergency Risks (Undertakings) Insurance Schemes/War Risks (Marine Hulls) Re-Insurance Schemes/Emergency Risks (Factories) Insurance Schemes may be booked under distinct sub-heads below this minor head.
- (5) Each Urban Oriented Employment Programme except 'Nehru Rozgar Yojana' will be opened as a sub-head under this minor head.

**MAJOR / SUB-MAJOR HEADS****3604 Compensation and Assignments to Local Bodies and Panchayati Raj Institutions****MINOR HEADS**

101	Land Revenue
102	Stamp Duty
103	Entertainment tax
104	Betting Tax
105	Terminal Tax
106	Taxes on Vehicles
107	Tax on Entry of Goods into local areas (1)
108	Taxes on Professions, Trade, Callings and Employment
200	Other Miscellaneous Compensations and Assignments
901	Deduct-Recoveries of Excess payment of Compensation and assignment to Local Bodies and Panchayati Raj Institutions

**Note:**

(1) Please refer to Note (3) below major head "0042".



## Receipts Heads Capital Account

### MAJOR / SUB-MAJOR HEADS

### MINOR HEADS

#### 4000 Miscellaneous Capital

#### Receipts

*01 Civil*

104	Disinvestment of Governments' Equity Holdings
105	Retirement of Capital/Disinvestments of Cooperative Societies/Banks
800	Other Receipts

*03 Disinvestment of Governments' equity holdings (10)*

190	Disinvestment of Public Sector and other undertakings
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*04 Premium received on disinvestment of Governments' equity holdings*

190	Disinvestment of Public Sector and other undertakings
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#### Note:

(1) The face value of share disinvested only is to be recorded under this major head.

**MAJOR / SUB-MAJOR HEADS**  
**4055 Capital Outlay on Police**

**MINOR HEADS**

201	Central Reserve Police
205	Industrial Security Force
206	Special Protection Group
207	State Police (1) (3)
208	Special Police (2)
210	Research, Education and Training
211	Police Housing (4)
213	Special Service Bureau
214	Border Management
215	Coastal Security
216	Other Police Organizations
800	Other expenditure (5)

**Note:**

- (1) This minor head will have the following sub-heads: District Police, village Police etc depending upon the schemes followed by various States.
- (2) This minor head includes expenditure on State Militia, Armed Forces etc.
- (3) The expenditure on Police Stations will also be recorded under these minor heads.
- (4) Integrated complexes which also include residential accommodation/facilities will be booked under the respective minor heads.
- (5) The expenditure on barbed wire fencing should be classified under this minor head. This would also record expenditure on Capital expenditure relating to Central Bureau of Investigation.

**MAJOR / SUB-MAJOR HEADS**  
**4058 Capital Outlay on**  
**Stationery and Printing**

**MINOR HEADS**

103	Government Presses (I)
800	Other expenditure

**Note:**

(1) Sub-heads will be "Buildings", "Machinery and Other."

**MAJOR / SUB-MAJOR HEADS**  
**4059 Capital Outlay on Public Works (1)**

**MINOR HEADS.**

*01 Office Buildings*

001	Direction and Administration (2)
051	Construction (1) (4)
052	Machinery and Equipment (5)
201	Acquisition of Land (3)
799	Suspense (6)
800	Other expenditure

*60 Other Buildings (7)*

051	Construction (1) (4)
800	Other Expenditure

*80 General*

001	Direction and Administration
051	Construction (1) (4)
052	Machinery and Equipment
201	Acquisition of Land
799	Suspense (6)
800	Other expenditure

**Notes:**

- (1) This Major Head and the Minor Head 'Construction' thereunder is intended to record the Capital expenditure by Public Works Department on all non-residential buildings in respect of the following categories: -
- (a) Functions/Organisations covered by the major/sub-major heads falling in the sector "General Services" except the "India Security Press", "Currency Note Press", "Bank Note Press", "Security Paper Mill", 'Mints' and 'Police' for which separate major head have been provided for in the sector.
- (b) All general-purpose office and administrative buildings, irrespective of the function to which they relate. Other principles explained in Note (1) below the Major Head '2059 Public Works' shall apply mutatis mutandis for the accountal of Capital Outlay on construction and acquisition.
- (2) This minor head will record the expenditure on establishment of P.W.D exclusively engaged for capital works relating to non-residential buildings. Where such establishment caters to the expenditure on buildings for residential and other functional purposes and also roads and bridges, proportionate establishment charges should be transferred pro-rata to those heads of account from this minor head. For this purpose, a deduct sub-head "Deduct-Establishment charges transferred pro-rata to other capital major heads" may be opened. The contra debits for these adjustments will appear as object classification under the sub-head 'Buildings' below the programme minor heads under the functional capital major head concerned or under appropriate programme minor head below '4216- Capital Outlay on Housing' or '**5054** Capital Outlay on Roads and Bridges' as the case may be.

A sub-head "Add-percentage charges for establishment transferred from revenue" may also be opened under this minor head to record the percentage transfers, if any, made from the revenue expenditure head. "2059-Public Works" in respect of works expenditure for functions under "General Services".

- (3) This minor head will record expenditure on acquisition of land by the P.W. Department for general purposes. Cost of land acquired for any specific work or purpose will be recorded either as part of cost of the works or separately , under the relevant functional major/minor head.
- (4) See Note (1) above. This minor head may be divided into sub-heads corresponding to various functional major heads, as considered necessary.
- (5) This minor head will record the expenditure on ordinary tools and plant, if any, acquired by P.W. divisions exclusively for capital works. In this connection please also refer to Note(2) above for pro-rata percentage , transfers of tools and plant on the basis stated therein.
- (6) See Note (9) below the major head '2059 Public works'.
- (7) This sub major head will record capital expenditure on functional buildings relating to-General Services such as "Court Buildings"<sup>1</sup>.  
The Capital expenditure of the Police Organisation will be classified under the major head '4055 - Capital Outlay on Police'.

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
<b>4070 Capital Outlay on Other Administrative Services</b>	
	003 Training
	800 Other expenditure

**MAJOR /SUB-MAJOR HEADS****MINOR HEADS****4075 Capital Outlay on Miscellaneous  
General Services**

113	Equated payments of sterling pensions recovered from other Departments/State Governments (1)
203	Properties acquired under Chapter XX-A of Income Tax Act, 1961
204	Acquisition of immovable property under Chapter XX-C of Income Tax Act.1961 (2)

**Notes:**

- (1) Prior to 1-4-55, the Government of India used to purchase annuities from the Government of United Kingdom for meeting the liabilities in respect of sterling pensions. With effect from 1-4-55, this liability was finally taken over by the Government of United Kingdom who in turn repaid to the Government of India, in 10 equal installments the balance of the principal portion of the debt in respect of annuities remaining outstanding on 31-3-1955 after deducting the capital value of the estimated future cost of the sterling pensions and other liabilities transferred to them with interest thereon.

These arrangements necessitated certain financial adjustments in the books of the Central and State/Union Territory Governments as follows:

- (i) In the books of Central Government: The Central Government's portion of the liability on the sterling pensions transferred to U.K. will be split up between Civil, Defence. Posts and Telegraphs and Railway Departments in the ratio of the amount debited to revenue in equated installments over a period of 30 years w.e.f. 1-4-55 assuming the same rate of interest as in the case of the annuities purchased from the U.K. under the earlier arrangement. These equated payments will be debited to the appropriate heads opened for the purpose under the relevant major heads accommodating the pensionary liability of the departments concerned by contra credit to the heads:-
- (a) Equated payment of sterling pension recovered from other Departments/State Governments.
- (b) Interest portion of equated payments on account of write back of capital value of annuities in purchase of sterling pensions below the head "0049- Interest Receipts-60-Other interest receipts of Central Government-Other receipts" (in respect of interest portion).
- (ii) In the Books of States/Union Territories: The share of the sterling pensions etc. will be repaid by them to the centre in annual equated installments over a period of 30 years, assuming the same rate of interest as for the annuities. These payments will be debited to the minor head 'Equated Payment on account of capital outlay on sterling pensions to the Government of India by the State/Union Territory Governments' under the Major Head 2071 -Pension and Other Retirement Benefits" by per contra credit, in the books of Government to the heads:-
- (a) "Deduct-Receipts and recoveries on capital account" under the minor head "Payment to the Government of U. K. for the purchase of sterling annuities" (in respect of principal portion) and

- (b) "Miscellaneous Interest Receipts" tinder the sub-major head "01-Interest from State Governments" and ~02-Interest *from* Union Territory Governments" below the major head "0049 Interest Receipts" (in respect of interest portion).
- (2) The receipts on account of the sale proceeds may be booked to a deduct head with the nomenclature "Deduct-Receipts on account of sale of immovable properties under Chapter XX-C of income Tax Act. 1961".



## B. Capital Account of Social Services

### *(a) Capital Account of Education, Sports Art and Culture*

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>4202 Capital Outlay on Education, Sports, Art and Culture</b>		
<i>01 General Education</i>		
	201	Elementary Education (1)
	202	Secondary Education (1)
	203	University and Higher Education (1)
	204	Adult Education (I)
	205	Languages Development
	600	General
	800	Other expenditure
<i>02 Technical Education</i>		
	103	Technical Schools (1)
	104	Polytechnics (I)
	105	Engineering Technical Colleges and Institutes (1)(2)
	800	Other expenditure
<i>03 Sports and Youth Services</i>		
	101	Youth Hostels
	102	Sports Stadia
	800	Other expenditure
<i>04 Art and Culture</i>		
	101	Fine Arts Education (1 )
	104	Archives (1)
	105	Public Libraries (I)
	106	Museums (1)
	107	Archaeological Survey of India
	108	Anthropological Survey
	109	Acquisition of Nizam's Jewellery.
	800	Other expenditure

#### **Notes:**

- (1) The sub heads under these minor heads will be 'Land', 'Buildings', 'Equipment' and other Expenditure.
- (2) Will also include Management and Commercial Institutes.

***(b) Capital Account of Health and Family Welfare***

**MAJOR /SUB-MAJOR HEADS**

**MINOR HEADS**

**4210 Capital Outlay on Medical  
and Public Health**

*01 Urban Health Services*

102	Employees State Insurance Scheme
103	Central Govt. Health Scheme
104	Medical Stores Depot (1)
108	Departmental Drug Manufacture (2)
109	School Health Scheme
110	Hospital and Dispensaries (4)
200	Other Health Schemes
800	Other expenditure

*02 Rural health Services*

101	Health sub-centres
102	Subsidiary Health Centres
103	Primary Health Centres
104	Community Health Centres
110	Hospitals and Dispensaries (4)
800	Other expenditure

*03 Medical Education*

*Training and Research*

101	Ayurveda
102	Homeopathy
103	Unani
104	Siddha
105	Allopathy
200	Other Systems

*04 Public Health*

101	Prevention and Control of Diseases
106	Manufacture of Sera/Vaccine
107	Public Health Laboratories (3)
112	Public Health Education
200	Other Programmes

*80 General*

190	Investments in Public Sector and other Undertakings
800	Other expenditure

**Notes:**

- (1) Please see Note (2) below the major head 2210.
- (2) Please see Note (3) below the major head 2210.
- (3) Each laboratory will be recorded under distinct sub-head with suitable detailed heads.
- (4) These Minor heads will include Pharmacy and Medical Relief

**MAJOR / SUB-MAJOR HEADS**

**4211 Capital Outlay on Family Welfare**

**MINOR HEADS**

101	Rural Family Welfare Service
102	Urban Family Welfare Services
103	Maternity and Child Health
106	Services and supplies
108	Selected Area Programmes
190	Investments in Public sector and other Undertakings
800	Other expenditure

***(c) Capital Account of Water Supply, Sanitation, Housing and Urban Development***

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>4215 Capital Outlay on Water Supply and Sanitation</b>		
<i>01 Water Supply</i>		
	101	Urban Water Supply
	102	Rural Water Supply
	190	Investments in Public Sector and other Undertakings
	800	Other expenditure
 <i>02 Sewerage and Sanitation</i>		
	101	Urban Sanitation Services
	102	Rural Sanitation Services
	106	Sewerage Services
	190	Investment in Public Sector and other Undertakings
	800	Other expenditure

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****4216 Capital Outlay on Housing (1)***01 Government Residential Buildings (2)*

106	General Pool Accommodation
700	Other Housing

*02 Urban Housing*

190	Investments in Public Sector and other Undertakings
800	Other Expenditure Each class of Scheme will be a minor head

*03 Rural Housing*

102	Provision of House site to the landless
190	Investments in Public Sector and other Undertakings
800	Other Expenditure Each class of Scheme will be a minor head

*80 General*

001	Direction and Administration
003	Training
052	Machinery and Equipment
101	Building Planning and Research
190	Investments in Public Sector and other Undertakings
201	Investments in Housing Boards
800	Other expenditure

**Note:**

- (1) For adjustment of debits on account of charges of Establishments/Tools and plant charges transferred from "2059-4059". Please see Note 2 below those major heads.
- (2) The expenditure on Police housing will be classified under the major head '4055 - Capital Outlay on Police'.

**MAJOR / SUB-MAJOR HEADS**  
**4217 Capital Outlay on Urban  
 Development**

**MINOR HEADS**

*01 State Capital  
 Development*

001 Direction and Administration  
 050 Land  
 051 Construction  
 052 Machinery and Equipment  
 190 Investments in Public Sector and other  
 Undertakings  
 799 Suspense  
 800 Other expenditure

*02 National Capital Region*

001 Direction and Administration  
 050 Land  
 051 Construction  
 052 Machinery and Equipment  
 190 Investments in Public Sector and other  
 Undertakings  
 799 Suspense

*03 Integrated Development  
 of Small and Medium Towns*

001 Direction and Administration  
 050 Land  
 051 Construction  
 052 Machinery and Equipment  
 190 Investments in Public sector and other  
 Undertakings  
 799 Suspense  
 800 Other expenditure

*04 Slum Area Improvement*

001 Direction and Administration  
 050 Land  
 051 Construction  
 052 Machinery and Equipment  
 190 Investments in Public Sector and other  
 Undertakings  
 799 Suspense  
 800 Other expenditure

*60 Other Urban  
 Development Schemes*

001 Direction and Administration  
 050 Land  
 051 Construction  
 052 Machinery and Equipment  
 190 Investments in Public Sector and other  
 Undertakings

*(d) Capital Account of Information and Broadcasting*

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**4220 Capital Outlay on**

**Information and Publicity**

*01 Films*

052	Machinery and Equipment
190	Investments in Public Sector and other Undertakings
200	Other Buildings
201	Studios
800	Other expenditure

*60 Others*

052	Machinery and Equipment
101	Buildings
113	Monitoring Services
190	Investments in Public sector and other undertakings
800	Other expenditure

***(e) Capital Account of Welfare of Scheduled Castes, Scheduled Tribes  
and other Backward Classes***

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
<b>4225 Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes</b>	
<i>01 Welfare of Scheduled Castes</i>	
	102 Economic Development
	190 Investments in Public Sector and other Undertakings
	277 Education
	282 Health
	283 Housing
	800 Other expenditure
 <i>02 Welfare of Scheduled Tribes</i>	
	102 Economic Development
	190 Investments in Public Sector and other Undertakings
	277 Education
	282 Health
	283 Housing
	800 Other expenditure
 <i>03 Welfare of Backward Classes</i>	
	102 Economic Development
	190 Investments in Public Sector and other Undertakings
	277 Education
	282 Health
	283 Housing
	800 Other expenditure
 <i>80 General</i>	
	190 Investments in Public Sector and other Undertakings
	800 Other expenditure



***(g) Capital Account of Social Welfare and Nutrition***

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>4235 Capital Outlay on Social Security and Welfare</b>		
<i>01 Rehabilitation</i>		
	105	Repatriates from Sri Lanka
	140	Rehabilitation of repatriates from other countries
	201	Other Rehabilitation Schemes
	800	Other Expenditure
		Each major scheme will be a minor head
<i>02 Social Welfare</i>		
	101	Welfare of handicapped
	102	Child Welfare
	103	Women's Welfare
	104	Welfare of aged, infirm and destitute
	105	Prohibition
	106	Correctional Services
	190	Investments in Public Sector and other Undertaking
	800	Other expenditure
		Each Scheme will be a minor head
<i>60 Other Social Security and Welfare Programmes</i>		
	800	Other expenditure

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****4236 Capital Outlay on Nutrition***01 Production of Nutritious  
Foods and Beverages*

190	Investments in Public Sector and other Undertakings
800	Other expenditure

*02 Distribution of Nutritious  
Foods and Beverages*

190	Investments in public sector and other Undertakings
800	Other expenditure

*80 General*

190	Investments in Public sector and other Undertakings
800	Other expenditure

*(h) Capital Account of Others Social Services*

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**4250 Capital Outlay on other  
Social Services**

101	Natural Calamities
201	Labour
203	Employment
800	Other expenditure

## C. Capital Account Of Economic Services

### (a) Capital Account of Agriculture and Allied Activities

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR II FADS</b>
<b>4401 Capital Out lay on Crop husbandry (1)</b>	
	101 Farming Cooperatives
	102 Food Grains Crops
	103 Seeds (2)
	104 Agricultural Farms (3)
	105 Manures and Fertilizers
	107 Plant Protection
	108 Commercial Crops
	112 Development of Pulses
	113 Agricultural Engineering
	114 Development of Oil Seeds
	119 Horticulture and Vegetable Crops
	190 Investments in Public Sector and other Undertakings (4)
	800 Other expenditure

#### Notes:

- (1) Sub-heads Buildings' and "Equipments" may be opened below the concerned programme minor heads, wherever necessary.
- (2) This will include expenditure on seed farms.
- (3) This will include expenditure on commercial, experimental and other agricultural farms other than seed farms.
- (4) The name of each Public Sector and other Undertaking will appear as a distinct Sub-head below this Minor Head.

**MAJOR / SUB-MAJOR HEADS**

**4402 Capital Outlay on Soil and  
Water Conservation**

**MINOR HEADS**

101	Soil Survey and Testing
102	Soil Conservation
203	Land Reclamation and Development
800	Other expenditure

**MAJOR / SUB-MAJOR HEADS**

**4403 Capital Outlay on Animal  
Husbandry**

**MINOR HEADS**

101	Veterinary Services and Animal Health
102	Cattle and Buffalo Development
103	Poultry Development
104	Sheep and Wool Development
105	Piggery Development
106	Other Live Stock Development
107	Fodder and Feed Development
109	Extension and Training
111	Meat Processing
190	Investments in Public Sector and 01 her Undertakings
800	Other expenditure

**MAJOR / SUB-MAJOR HEADS****4404 Capital outlay on Dairy  
Development (1)****MINOR HEADS**

102	Dairy Development Projects
109	Extension and Training Each Milk supply scheme will be a minor head
190	Investments in Public Sector and other Undertakings
800	Other expenditure

**Note:**

(1) This major head will record the capital expenditure on the various departmentally run milk supply schemes also.

**MAJOR! *SUB-MAJOR HEADS***

**4405 Capital Outlay on Fisheries**

**MINOR HEADS**

001	Direction and Administration
101	Inland Fisheries
102	Estuarine/Brackish Water Fisheries
103	Marine Fisheries
104	Fishing Harbour and Landing Facilities
105	Processing, Preservation and Marketing
109	Extension and Training
190	Investments in Public Sector and other Undertakings
191	Fishermen's Cooperatives
800	Other expenditure



**MAJOR / SUB-MAJOR HEADS****4406 Capital Outlay on Forestry  
and Wild Life***01 Forestry*

070	Communication and Buildings
101	Forest Conservation, Development and Regeneration (2)
102	Social and Farm Forestry
105	Forest Produce
112	Rosin and Turpentine Factories
190	Investments in Public Sector and other Undertakings (1)
800	Other expenditure

*02 Environmental Forestry  
and Wild Life*

110	Wildlife
111	Zoological Park
112	Public Gardens
800	Other expenditure

**Notes:**

- (1) The name of each Public Sector and other Undertaking will appear as & Sub-head below this minor head.
- (2) This minor head will include expenditure on acquisition and development of forests.

**MAJOR / SUB-MAJOR HEADS****4407 Capital Outlay on Plantations***01 Tea*

004 Research and Development  
190 Investments in Public Sector & other Undertakings  
800 Other Expenditure

*02 Coffee*

004 Research and Development  
190 Investments in Public Sector & other Undertakings  
800 Other expenditure

*03 Rubber*

004 Research and Development  
190 Investments in Public Sector & other Undertakings  
800 Other expenditure

*04 Spices*

004 Research and Development  
190 Investments in Public Sector & other Undertakings  
800 Other expenditure

*60 Others*

310 Lute  
811 Coconuts  
813 Cashew  
829 Arccanut

**MINOR HEADS**

**MAJOR /SUB-MAJOR HEADS****MINOR HEADS****4408 Capital Outlay on food****Storage and Warehousing***01 Food*

101	Procurement and Supply (1)
103	Food processing
190	Investments in Public Sector and other Undertakings
800	Other expenditure

*02 Storage and Warehousing*

101	Rural Godown programmes
190	Investments in Public sector and other Undertakings
800	Other expenditure

**Note:**

- (1) This minor head will record the expenditure on Government Grain Supply Schemes relating to procurement, storage and distribution of food grains and pulses. Each such scheme will appear as a sub-head.

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>	
<b>4415 Capital Outlay on Agricultural Research and Education</b>		
<i>01 Crop Husbandry</i>	004	Research
	277	Education
	800	Other expenditure
<i>02 Soil and Water Conservation</i>	004	Research
	277	Education
	800	Other expenditure
<i>03 Animal Husbandry</i>	004	Research
	277	Education
	800	Other expenditure
<i>04 Dairy Development</i>	004	Research
	277	Education
	800	Other expenditure
<i>05 Fisheries</i>	004	Research
	277	Education
	800	Other Expenditure
<i>06 Forestry</i>	004	Research
	277	Education
	800	Other expenditure
<i>07 Plantations</i>	004	Research
	277	Education
	800	Other expenditure
<i>80 General</i>	004	Research
	277	Education
	800	Other expenditure

**MAJOR / SUB-MAJOR HEADS**

**4416 Investments in Agricultural  
Financial Institutions**

**MINOR HEADS**

190	Investments in Public sector and other Undertakings
200	Other Investments

**MAJOR / SUB-MAJOR HEADS****4425 Capital Outlay on Cooperation****MINOR HEADS**

001	Direction and Administration
003	Training
004	Research and Evaluation
106	Investments in multi-purpose Rural Cooperatives
107	Investments in Credit Cooperatives
108	Investments in other Cooperatives
190	Investments in Public Sector and other Undertakings
200	Other Investments

**MAJOR / SUB-MAJOR HEADS**

**4435 Capital Outlay on Other  
Agricultural Programmes**

*01 Marketing and Quality  
Control*

- 101 Marketing facilities
- 102 Grading and quality control facilities
- 190 Investments in Public sector and other  
Undertakings
- 800 Other expenditure

*60 Others*

Each programme not covered elsewhere will  
be a minor head

**MINOR HEADS**

*(b) Capital Account of Rural Development*

**MAJOR /SUB-MAJOR HEADS**

**4515 Capital Outlay on other  
Rural Development  
Programmes**

**MINOR HEADS**

101	Panchayati Raj
102	Community Development
103	Rural Development
800	Other expenditure



*(c) Capital Account of Special Areas Programme*

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**4575 Capital Outlay on other  
Special Areas Programmes**

*02 Backward Areas*

*03 Tribal Areas*

*60 Others*

Minor heads corresponding to functional major heads/sub major heads may be opened under the sub major heads as necessary

**(d) Capita/Account of Irrigation and Flood Control**

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
<b>4700 Capital Outlay on Major Irrigation (1)</b>	
Each Commercial Project will be a sub-major head (3)	001 Direction and Administration 052 Machinery and Equipment 799 Suspense 800 Other Expenditure (2)
Each Noncommercial Project will be a sub-major head (3)	001 Direction and Administration 052 Machinery and Equipment 799 Suspense 800 Other Expenditure (2)
80 General	001 Direction and Administration 002 Data Collection 003 Training 004 Research 005 Survey and Investigation 052 Machinery and Equipment 190 Investments in Public Sector and Other Undertakings 799 Suspense 800 Other Expenditure (2)

Notes: -

(1) See Note (3) under the major head "2700-Major Irrigation".

(2) See Note (2) under the major head "2700-Major Irrigation".

(3)(a) For 'Irrigation Projects' the sub-heads will be 'Reservoirs', 'Dam and Appurtenant Works', 'Spill Way', 'Barrage', 'Weir', 'Buildings', 'Canals', 'Branches', 'Distributaries', 'Water Courses'. In addition, sub heads with nomenclature "Advances to other Governments and agencies for common works" and "Deduct-Advances recovered from other Governments and agencies for common works", may be opened wherever necessary.

(b) For 'Navigation Schemes', the sub heads will be 'Interconnecting channels', 'Locks', 'Quays', 'Wharfs and jetties', 'Dredging' and 'Buildings'.

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
<b>4701 Capital Outlay on Medium Irrigation (1)</b>	
Each Commercial Project will be a sub-major head (3)	001 Direction and Administration 052 Machinery and Equipment 799 Suspense 800 Other Expenditure (2)
Each Non-commercial Project will be a sub-major head (3)	001 Direction and Administration 052 Machinery and Equipment 799 Suspense 800 Other Expenditure (2)
80 General	001 Direction and Administration 002 Data Collection 003 Training 004 Research 005 Survey and Investigation 052 Machinery and Equipment 190 Investments in Public Sector and Other Undertakings 799 Suspense 800 Other Expenditure (2)

Notes: -

(1) See Note (3) under the major head "2701-Medium Irrigation".

(2) See Note (2) under the major head "2701-Medium Irrigation".

(3)(a) For 'Irrigation Projects' the sub-heads will be 'Reservoirs', 'Dam and Appurtenant Works', 'Spill Way', 'Barrage', 'Weir', 'Buildings', 'Canals', 'Branches', 'Distributaries', 'Water Courses'. In addition, sub heads with nomenclature "Advances to other Governments and agencies for common works" and "Deduct-Advances recovered from other Governments and agencies for common works", may be opened wherever necessary.

(b) For 'Navigation Schemes', the sub heads will be 'Interconnecting channels', 'Locks', 'Quays', 'Wharfs and jetties', 'Dredging' and 'Buildings'.

**MAJOR / SUB-MAJOR HEADS**  
**4702 Capital Outlay on Minor**  
**Irrigation**

**MINOR HEADS**

101	Surface Water
102	Ground Water
800	Other Expenditure

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**4705 Capital Outlay on  
Command Area  
Development**

Each Command Area Development (1)

Note:

(1) See Note (1) below the major head "2705 Command Area Development".

**MAJOR / SUB-MAJOR HEADS**  
**4711 Capital Outlay on Flood Control projects**

**MINOR HEADS**

*01 Flood Control*

001	Direction and Administration
050	Land
052	Machinery and Equipment
103	Civil Works
799	Suspense
800	Other Expenditure

Each Hood Control Project will be a Minor Head (1)

*02 Anti-sea Erosion Projects*

001	Direction and Administration
050	Land
052	Machinery and Equipment
103	Civil Works
799	Suspense
800	Other Expenditure

*03 Drainage*

001	Direction and Administration
050	Land
052	Machinery and Equipment
103	Civil Works
799	Suspense
800	Other Expenditure

**Note:**

- (1) For this minor head the sub heads will be embankments, Protective works and Buildings.

***(e) Capita/Account of Energy***

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**4801 Capital Outlay on Power  
Projects**

*01 Hydel Generation*

001	Direction and Administration
052	Machinery and Equipment
190	Investments in Public Sector and other Undertakings
799	Suspense Each 1-Hydel-Electric Scheme (1)
800	Other Expenditure

*02 Thermal Power  
Generation*

001	Direction and Administration
052	Machinery and Equipment
190	Investments in Public Sector and other Undertakings
799	Suspense Each Thermal Power Scheme (2)
800	Other Expenditure

*03 Nuclear Power  
Generation*

001	Direction and Administration
052	Machinery and Equipment
102	Fuel
103	Waste Management
104	Fast Breeder Reactor.
190	Investments in Public Sector and other undertakings
799	Suspense Each Nuclear Power Scheme
800	Other Expenditure

*04 Diesel/Gas Power  
Generation*

001	Direction and Administration
052	Machinery and Equipment
190	Investments in Public Sector and other undertakings
799	Suspense Each Diesel/Gas Power Scheme (3)
800	Other Expenditure

*05 Transmission and  
Distribution (4)*

001	Direction and Administration
052	Machinery and Equipment
190	Investments in Public Sector and other undertakings
799	Suspense Each Transmission and Distribution Scheme (5)
800	Other Expenditure

*06 Rural Electrification*

001	Direction and Administration
052	Machinery and Equipment
190	Investments in Public Sector and other Undertakings
799	Suspense
800	Other Expenditure

*80 General*

001	Direction and Administration
003	Training
004	Research and Development
101	Investments in State Electricity Boards
190	Investment in Public Sector and Other Undertakings
800	Other Expenditure

**Notes:**

- (1) The sub heads will be 'Dams', 'Barrage', 'Power House', 'Water Conduit System', 'Tail Race Channel', 'Generating Plant and Machinery', 'Transmission', '~Distribution', 'Ancillary Works', 'Machinery and equipment, 'Buildings' and 'Other expenditure'.
- (2) The sub-heads will be 'Power House', Boiler Plants and Turbines', 'Coal and ash handing systems'. Water Treatment and Cooling', 'Transmission', 'Distribution', 'Ancillary Works', 'Buildings' and 'Other expenditure'.
- (3) The sub-heads will be 'Power House', 'Power Plant' and 'Ancillary Works'.
- (4) This sub-major head will record the expenditure on general transmission and distribution schemes, which cannot be related as such to specific generating systems such as 'Hydro' or 'Thermo' electric schemes.
- (5) Each scheme such as the "Load Dispatching Station" will appear as a minor-head with suitable sub-heads thereunder. Expenditure of non-scheme nature such as that on "Load Dispatching Institute" will however be recorded under the major head "4701-Capital Outlay on Major and Medium Irrigation" and "4801-Capital Outlay on Power Projects" as the case may be.



**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**4810 Capital Outlay on  
New and Renewable Energy**

101	New and Renewable Energy Programmes and Applications
600	Others

**(f) *Capita/Account of Industry and Minerals***

**MAJOR / SUB-MAJOR BEADS**

**4851 Capital Outlay on Village  
and Small Industries**

**MINOR HEADS**

101	Industrial Estates
102	Small scale Industries
103	Handloom Industries
104	Handicraft Industries
105	Khadi and Village Industries
106	Coir Industries
107	Sericulture Industries
108	Powerloom Industries
109	Composite Village and Small Industries Cooperatives
200	Other village Industries (1)
800	Other Expenditure

**Note:**

(1) Not covered by- Khadi Village Industry Commission

**MAJOR / SUB-MAJOR HEADS**

**4852 Capital Outlay on Iron and Steel Industries**

*01 Mining*

004	Research and Development
190	Investments in public sector and other undertakings
800	Other expenditure

*02 Manufacture*

004	Research and Development
190	Investments in public sector and other undertakings
800	Other Expenditure

**MINOR HEADS**

**MAJOR /SUB-MAJOR HEADS****MINOR HEADS****4853 Capital Outlay on Non Ferrous Mining and Metallurgical Industries***01 Mineral Exploration and Development (1)*

004	Research and Development
190	Investments in public sector and other undertakings
800	Other Expenditure

*02 Non—Ferrous Metals*

004	Research and Development
190	Investments in public sector and other undertakings
800	Other Expenditure

*60 Other Mining and Metallurgical Industries*

004	Research and Development
190	Investments in Public sector and other undertakings
800	Other Expenditure

**Note:**

- (1) This sub-major head will include capital expenditure on general schemes of mineral exploration and development (e.g.) Geological Survey of India.

**MAJOR / SUB-MAJOR HEADS**

**4854 Capital outlay on Cement  
and Non-metallic Mineral  
Industries**

*01 Cement*

004 Research and Development  
190 Investments in Public sector and other  
undertakings  
800 Other Expenditure

*60 Others*

004 Research and Development  
190 Investments in Public sector and other  
undertakings  
800 Other Expenditure

**MINOR HEADS**

**MAJOR / SUB-MAJOR HEADS**  
**4855 Capital Outlay on**  
**Fertilizer Industries**

**MINOR HEADS**

- 004 Research and Development
- 101 Investments in Cooperative Fertilizer Factories
- 190 investment in Public sector and other undertakings
- 800 Other Expenditure

**MAJOR / SUB-MAJOR HEADS**

**4856 Capital Outlay on  
Petrochemical Industries**

**MINOR HEADS**

004	Research & Development
190	Investments in Public Sector and other undertakings
200	Other Investments

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****4857 Capital Outlay on  
Chemicals and  
Pharmaceutical Industries***01 Chemical and Pesticides  
Industries*

004	Research and Development
190	Investment in Public Sector and other Undertakings
800	Other Expenditure

*02 Drugs and  
Pharmaceutical Industries*

004	Research and Development
190	Investment in Public Sector and other Undertakings
800	Other Expenditure



**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****4858 Capital Outlay On  
Engineering Industries***01 Electrical Engineering  
Industries*

004 Research and Development  
190 Investment in Public sector and other  
undertakings  
800 Other Expenditure

*02 Other Industrial  
Machinery Industries*

004 Research and Development  
190 Investments in Public Sector and other  
undertakings  
800 Other Expenditure

*03 Transport Equipment  
Industries*

004 Research and Development  
190 Investment in Public Sector and Other  
undertakings  
800 Other Expenditure

*04 Ship-Building Industries*

004 Research and Development  
190 Investment in Public Sector and Other  
undertakings  
800 Other Expenditure

*05 Air Craft Industries*

004 Research and Development  
190 Investment in Public Sector and Other  
undertakings  
800 Other Expenditure

*60 Other Engineering  
Industries*

004 Research and Development  
190 Investment in Public sector and other  
Undertakings  
800 Other Expenditure

**MAJOR / SUB-MAJOR HEADS**

**4859 Capital Outlay on  
Telecommunication and  
Electronic industries**

*02 Electronics*

**MINOR HEADS**

004 Research and Development  
190 Investment in Public Sector and Other  
Undertakings  
800 Other Expenditure

<b>MAJOR / SUB-MAJOR HEADS</b>	<b>MINOR HEADS</b>
<b>4860 Capital Outlay on Consumer Industries (1)</b>	
<i>01 Textiles</i>	004 Research and Development 190 Investments in Public Sector and other Undertakings 800 Other Expenditure
<i>03 Leather</i>	004 Research and Development 190 Investments in Public Sector and other Undertakings 800 Other Expenditure
<i>04 Sugar</i>	004 Research and Development 190 Investments in Public Sector and other Undertakings 800 Other Expenditure
<i>05 Paper and Newsprint</i>	004 Research and Development 190 Investments in Public Sector and other Undertakings 800 Other Expenditure
<i>60 Others</i>	101 Edible Oils 102 Foods and Beverages 206 Distilleries 212 Soap 213 Plastics 214 Toilet Preparation 216 Photo Films 217 Jute 218 Salt 600 Others

**Note:**

- (I) Minor heads below sub major heads 01 to 05 will appear as sub-heads below each of the minor heads below sub major head "60 others".

**MAJOR / SUB-MAJOR HEADS**  
**4875 Capital Outlay on Other Industries**  
*60 Other Industries*

**MINOR HEADS**

004	Research and Development
190	Investments in Public sector and other undertakings (1)
800	Other Expenditure

**Note:**

- (1) This minor head will record investments in industries which cannot be accommodated under any other major head in the sector "Industries", such as the National Buildings Construction Corporation, Engineers (India) Ltd. etc.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****4885 Other Capital Outlay on  
Industries and Minerals***01 Investments in Industrial  
Financial Institutions*190 Investments in Public sector and other  
undertakings (1)

200 Other Investments

*02 Development of Backward  
Areas*190 Investments in Public sector and other  
undertakings

800 Other Expenditure

*60 Others*

800 Other Expenditure

**Note:**

(1) This minor head will include investments in "State Financial Corporations

**MAJOR / SUB-MAJOR HEADS**  
**5051 Capital Outlay on Ports  
and Light Houses**

**MINOR HEADS**

<i>01 Major Ports</i>	001	Direction and Administration A minor head for each Major Port (1)
<i>02 Minor Ports</i>	200	Other Small Ports A minor head for each Minor Port
<i>03 Light Houses and light ships</i>	101	Construction and Development of Light Houses
	103	Construction and Development of other Navigational Aids (2)
	799	Suspense
	800	Other Expenditure (3)
<i>80 General</i>	001	Direction and Administration
	003	Training
	004	Research and Development
	190	Investments in Public Sector and other undertakings
	800	Other Expenditure

**Notes:**

- (1) The minor heads will record the expenditure on development under the following sub-heads with suitable detailed heads thereunder
  - (1) Preliminary Expenses.
  - (2) Acquisition of Land.
  - (3) Construction of docks. berths and jetties.
  - (4) Port equipment and machinery.
  - (5) Transport facilities and fleet.
  - (6) Floating craft
  - (7) Warehousing facilities
  - (8) Buildings.
  - (9) Suspense.
  - (10) Other expenditure.
- (2) This minor head will include expenditure on lightships, beacons, radar reflectors, buoys. launches. etc.
- (3) This minor head will include expenditure on buildings for offices of the Department of light houses and lightships.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****5053 Capital Outlay on Civil****Aviation***01 Air Services*

190 Investments in public sector and other undertakings

800 Other Expenditure

*02 Air Ports*

102 Aerodromes

190 Investments in Public Sector and Other undertakings

800 Other Expenditure

*60 Other Aeronautical Services*

052 Machinery and Equipment

101 Communications

102 Navigation and Air Route Services

103 Safety

104 Traffic Control

800 Other Expenditure

*80 General*

003 Training and Education

004 Research and Development

101 Inspection

283 Licensing

799 Suspense

800 Other Expenditure

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****5054 Capital Outlay on Roads and Bridges (I) (3)***01 National Highways (2)*

052	Machinery & Equipment
101	Permanent Bridges (2)
337	Road Works
799	Suspense
800	Other Expenditure

*02 Strategic anti Border Roads*

052	Machinery and Equipment
101	Bridges
337	Road works
799	Suspense
800	Other Expenditure

*03 State Highways*

052	Machinery and Equipment
101	Bridges
337	Road works
799	Suspense
800	Other Expenditure

*04 District & Other Roads*

101	Bridges
337	Road works
800	Other Expenditure

*05 Roads*

052	Machinery and Equipment Inter-State or Economic Importance.
101	Bridges
337	Roads Works
799	Suspense
800	Other Expenditure.

*80 General*

003	Training
004	Research
190	Investments in public sector and the undertakings
800	Other Expenditure

**Notes:**

- (1) For adjustment of debits on account of pro-rata charges of establishment /tools and plants charges transferred from 2059/4059 public works/capital outlay on Public works see note below these major heads.
- (2) The expenditure to be met out of the "National Highways Permanent Bridges Fees Fund" will be exhibited under the detailed head "Major Works" below the sub-head "Works financed from National Highways Permanent Bridges Fees Fund".
- (3) The expenditure to be met out of the Police Funds will be classified under the major head '4055 -Capital Outlay on Police'.



**MAJOR / SUB-MAJOR HEADS**  
**5055 Capital Outlay on Road**  
**Transport**

**MINOR HEADS**

	Each Departmental Undertaking will be a Minor Head
050	Lands and Buildings
102	Acquisition of Fleet
103	Workshop Facilities
190	Investments in Public sector and other undertakings
799	Suspense
800	Other Expenditure

**MAJOR / SUB-MAJOR HEADS**  
**5056 Capital Outlay on Inland  
Water Transport**

**MINOR HEADS**

	Each Departmental Undertaking will be a Minor Head
101	Landing Facilities
102	Workshop Facilities
104	Navigation
190	Investments in Public Sector and other undertakings
800	Other Expenditure

**MAJOR / SUB-MAJOR HEADS**  
**5075 Capital Outlay on Other  
Transport Services**

**MINOR HEADS**

*01 River Training Works*

600 Other River Training Works

*60 Others*

190 Investments in Public Sector and other  
undertakings

800 Other Expenditure

**MAJOR/SUB-MAJOR HEADS**

**MINOR HEADS**

**5425 Capital Outlay on other  
Scientific and  
Environmental Research**

201	Survey of India (1)
208	Ecology and Environment
600	Other Services
800	Other Expenditure

**Note:**

(1) Divided into the sub-heads (a) Building and (h) Equipment

(I) *Capital Account Of General Economic Services*

**MAJOR/SUB-MAJOR HEADS**

**5452 Capital Outlay on Tourism**

**MINOR HEADS**

*01 Tourist Infrastructure*

101	Tourist Centre
102	Tourist Accommodation
103	Tourist Transport
190	Investments in Public Sector and other Undertakings
800	Other Expenditure

*80 General*

003	Training
104	Promotion and Publicity
190	Investment in Public Sector and other Undertakings
800	Other Expenditure

**MAJOR/SUB-MAJOR HEADS**

**5453 Capital Outlay on Foreign  
Trade and Export  
Promotion**

*08 New (EPZ) (1)*

*80 General*

**MINOR HEADS**

190	Investments in Public Sector and other Undertakings
800	Other Expenditure

**Note:**

(1) Minor heads "001 Direction and Administration" and "051 Construction and Development" may be opened under each new EPZ.

**MAJOR/SUB-MAJOR HEADS****MINOR HEADS****5465 Investments in General  
Financial and Trading  
Institutions***01 Investments in General  
Financial Institutions*

190 Investments in Public Sector and Other  
Undertakings Banks, etc.  
800 Other Expenditure

*02 Investment in Trading  
Institutions*

190 Investments in Public Sector and Other  
Undertakings (1)  
800 Other Expenditure

**Note:**

- (1) This minor head will record expenditure on investments in trading Institutions like State Trading Corporation, Minerals and Metals Trading Corporation, etc.

**MAJOR/ SUB-MAJOR HEADS**  
**5475 Capital Outlay on other**  
**General Economic**  
**Services.**

**MINOR HEADS**

- 101 Land Ceilings (other than agricultural land) (1) (3)
- 102 Civil Supplies (4)
- 103 Land Ceiling for Agricultural Land.(1) (3)
- 107 Census
- 112 Statistics
- 202 Compensation to Land holders on abolition of  
Zamindari System (2) (3)
- 800 Other Expenditure

**Notes:**

- (1) Compensation Bonds issued under Land ceiling laws will be accounted for under this head.
- (2) This head will record payments of compensation to Landholders on the abolition of Zamindari system, when it is decided to capitalize the expenditure.
- (3) In case where Bonds are issued in lieu of cash payment is the value of the bonds is debited to this head by per contra credit to the head '6001-Internal Debt of the Central Government-compensation and other Bonds'/'6003 Internal Debt of the State Government-compensation and other Bonds' as the case may be in the sector 'Public Debt'.
- (4) Please see Note (1) below the Major Head '4408 Capital Outlay on Food, Storage and Warehousing'. This minor head will record expenditure on civil supply schemes other than those relating to food grains and pulses such as on procurement and distribution of Vanaspati, Edible Oils, Kerosene etc.



**MAJOR / SUB-MAJOR HEADS**  
**6003 Internal debt of the State**  
**Government**

**MINOR HEADS**

- 101 Market Loans (I)
- 103 Loans from Life Insurance Corporation of India
- 104 Loans from General Insurance Corporation of India
- 105 Loans from the National Bank for Agricultural and Rural Development
- 106 Compensation and other Bonds (3)
- 107 Loans from the State Bank of India & other Banks
- 108 Loans from National Co-operative Development Corporation
- 109 Loans from other Institutions (2)
- 110 Ways and Means Advances from the Reserve Bank of India
- 111 Special Securities issued to National Small Savings Fund of the Central Government
- 800 Other Loans

**Notes:**

(1) This minor head shall have three sub heads namely:-

- (a) Market loans bearing interest.
- (b) Market loans not bearing interest.
- (c) Market loans suspense.

Each denomination of loan will appear as a distinct detailed head under the sub-head (a) above. The amounts representing unclaimed balance of old loans which have been notified for discharge and have ceased to bear interest from the due date of discharge will be transferred from the sub-head (a) above to the sub-head (b) and will appear under corresponding detailed heads under the latter sub-head.

These unclaimed balances are usually retained in Government Accounts as debt for 20 years from the date of discharge of the loans, after which, the balances are transferred to Revenue by credit to the head "0075 Miscellaneous General Services – other Receipts". Repayments of these amounts subsequently claimed likewise will be debited to the head "2075 – Miscellaneous General Services – Other Expenditure". The full nominal value of Zero Coupon Bonds, 1999 will also be credited under a detailed head "Zero Coupon Bonds, 1999" below the sub-head (b) above and the amount of discount on the Bond will be debited to the minor head "136-Discount Sinking Fund" with sub-head "Sinking Fund for Zero Coupon Bonds, 1999" there under below the major head "8663 – Accounting Adjustment Suspense". The amount debited to the minor head '136 – Discount Sinking Fund' below the major head '8663 – Accounting Adjustment Suspense' will be written back to revenue in equal installments over the currency of loan by debiting one fifth of the amount initially debited to "Discount Sinking fund" to the expenditure major/sub-major/minor head "2049 – Interest payments – 01 – Interest on Internal Debt – 113 Discount on zero coupon bonds 1999" per contra credit ie., Minus debit to the minor head "136 – Discount Sinking Fund" below the major head "8663 – Accounting Adjustment Suspense". On maturity of the Bonds, the entire amount will be repaid by debiting major/minor/sub/detailed "6001 – Internal Debt of Central Government – 101 Market Loans – Market Loans not bearing interest – Zero Coupon

Bonds, 1999. The subscriptions towards market loans received initially will be credited under a distinct detailed below the sub-head (c ) above. The amount of accepted subscription for which scripts are issued by the Reserve Bank of India will be transferred to the sub-head (a). The over subscribed amount which will not bear any interest may be refunded by minus credit to the sub-head (c ) and no budget provision will be necessary for this purpose.

- (2) Each institution from which loans are received will appear as a distinct sub-head under this minor head,
- (3) The unclaimed balances of these bonds are usually retained in Government Accounts for 20 years from the date of their maturity after which the balances are transferred to Revenue by credit to the head '0075 Miscellaneous General Services - Other Receipts'. Repayments of these amounts subsequently claimed likewise will be debited to the head '2075-Miscellaneous General Services - Other Expenditure.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****6004 Loans and Advances from the Central Government***01 Non-Plan Loans*

- 101 Loans to cover gap in resources
- 102 Share of Small Savings Collections
- 201 House Building Advances
- 800 Other Loans

*02 Loans for State/Union Territory P/an Schemes*

- 101 Block Loans
- 102 Loans as Advances Plan Assistance for relief on account of Natural Calamities (6)
- 103 Loans against External Assistance received in kind
- 104 1984-89 State Plan Loans Consolidated in terms of recommendations of the 9th Finance Commission
- 105 State Plan Loans Consolidated in terms of recommendations of the 12th Finance Commission

*03 Loans for Central Plan Schemes*

- 321 Village and Small Industries
- 800 Other Loans

*04 Loans for Central Sponsored Plan Schemes**05 Loans for Special Schemes*

- 101 Schemes of North Eastern Council
- 102 Development of Border Areas.

*06 Ways and Means Advances*

- 101 Ways and Means Advances for Plan Schemes
- 102 Ways and Means Advances towards Expenditure on upgradation of Standards of Administration (5)
- 103 Ways and Means Advances towards Expenditure on net Interest liability on account of fresh borrowings and lending (5)
- 800 Other Ways and Means Advance

*07 Pre- 1984-85 Loans (1)*

- 101 Rehabilitation of Displaced Persons, Repatriates etc. (2)
- 102 National Loan Scholarship Scheme (3)
- 103 Loans to clear overdrafts advanced during 1982-83 and 1983-84 (3)
- 104 Consolidated Loans to Orissa for Hirakund Project - Stage I
- 105 Small Savings Loans
- 106 Pre-1979-80 consolidated Loans for Productive and Semi productive purposes (4)

107	Pre-1979-80 consolidated loans reconsolidated into 25 year and 30 year loans (7)
108	1979-84 consolidated Loans (8)
109	Rehabilitation of Gold Smiths
800	Other Loans (9)

**Notes:**

- (1) This sub-major head has been provided to account for the outstanding balance of the central loans advanced to States upto 31.3.1984 as on 1.4.85.
- (2) This minor head will have the following three sub-heads.-
  - (i) Pre 1974 loans written off
  - (ii) 1974-84 Relending loans written off
  - (iii) 1979-84 Straight loans-in respect of these loans, the repayments by the State Government to the Centre would be according to the terms on which the loans were sanctioned.
- (3) In respect of these loans, the repayments by the State Government to the Centre would be according to the terms on which the loans were sanctioned.
- (4) This minor head will have the following sub-heads: -
  - (i) Loans for productive purposes repayable over 15 years from 1979-80.
  - (ii) Loans for semi-productive purposes repayable over 30 years from 1979-80.
- (5) This minor head shall be operated to classify temporarily the advances received by the State Government as recommended by the 7th Finance commission pending issue of presidential order within the close of the Financial year and such advances shall be free of interest. The advances so classified shall be withdrawn within the account of the same financial year by minus credit and shall be brought to account under the major head '1601-Grants-in-aid from central Government',
- (6) Loans as advanced Plan assistance for drought relief will be adjusted under distinct sub-head Drought-Relief
- (7) This minor head will have the following two sub-heads.
  - (i) Loan repayable annually over 25 years
  - (ii) Loans repayable annually over 30 years
- (8) This minor head will have the following four sub-head: -
  - (i) Loans repayable annually over 15 years
  - (ii) Loans repayable annually over 20 years
  - (iii) Loans repayable annually over 25 years
  - (iv) Loans repayable annually over 30 years
- (9) This minor head would include write off of overpayments during 1985-89 as recommended by the Eighth Finance Commission. The balances of the pre 1984-85 'Orissa Hirakund project Stage I' loans and the 1979-84 consolidated loans will also initially be debited to this minor head. The final allocation of the amounts of loans under these categories will follow formal sanction of the Government of India.

**F. Loans and Advances**

**MAJOR / SUB-MAJOR HEADS**

**6075      Loans for Miscellaneous  
            General services**

**MINOR HEADS**

800      Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6202 Loans for Education,  
Sports, Art and Culture.**

*01 General Education*

- 201 Elementary Education  
202 Secondary Education  
203 University and Higher Education  
204 Adult Education  
205 Languages Development  
600 General

*02 Technical Education*

- 103 Technical Schools  
104 Polytechnics  
105 Engineering/Technical colleges and  
Institutes (Will also accommodate  
Management and Commercial  
Institutes.)  
800 Other Loans

*03 Sports and Youth Services*

- 800 Other Loans

*04 Art and Culture*

- 101 Fine Arts Education  
102 Promotion of Arts and Culture  
104 Archives  
105 Public Libraries  
106 Museums  
800 Other Loans

*80 General*

- 800 Other Loans

**MINOR HEADS**

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****6210 Loans for Medical and Public Health***01 Urban Health Services*

201 Drug Manufacture  
800 Other Loans

*02 Rural Health Services**03 Medical Education, Training and Research*

101 Ayurveda  
102 Homeopathy  
103 Unani  
104 Siddha  
105 Allopathy  
200 Other Systems

*04 Public Health*

106 Manufacture of Sera/Vaccine  
107 Public Health Laboratories  
282 Public Health  
800 Other Loans

*80 General*

800 Other Loans

**MAJOR / SUB-MAJOR HEADS**  
**6211 Loans for Family Welfare**

**MINOR HEADS**

190	Loans to Public Sector and other Undertakings
800	Other Loans



**MAJOR /SUB-MAJOR HEADS**  
**6215 Loans for Water Supply  
and Sanitation**

**MINOR HEADS**

*01 Water Supply*

101	Urban Water Supply Programmes
102	Rural Water Supply Programmes (I)
190	Loans to Public Sector and other undertakings
800	Other Loans

*02 Sewerage and Sanitation*

190	Loans to Public Sector and other undertakings
800	Other Loans

**Note:**

(1) Please see Note 2 below the major head 2215.

**MAJOR / SUB-MAJOR HEADS****6216 Loans for Housing****MINOR HEADS***02 Urban Housing*

190	Loans to Public sector and other undertakings
201	Loans to Housing Boards
800	Other Loans

*03 Rural Housing*

190	Loans to Public sector and other undertakings
201	Loans to Housing Boards
800	Other Loans

*80 General*

190	Loans to Public sector and other undertakings
201	Loans to Housing Boards
800	Other Loans

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>6217 Loans for Urban Development</b>		
<i>01 State Capital Development</i>	800	Other Loans
<i>02 National Capital Regions</i>	800	Other Loans
<i>03 Integrated Development of Small and Medium Towns (1)</i>	800	Other Loans
<i>04 Slum Area Development</i>	800	Other Loans
<i>60 Other Urban Development Schemes</i>	800	Other Loans

**Note:**

- (1) The name of each township undertaken under the scheme of Integrated Development of small and medium towns will appear as distinct sub-head.

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**6220 Loans for Information and**

**Publicity**

*01 Films*

190 Loans to Public sector and other undertakings  
800 Other Loans

*60 Others*

190 Loans to Public Sector and other undertakings  
800 Other Loans

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****6225 Loans for Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes***01 Welfare of Scheduled Castes*

190	Loans to Public Sector and other Undertakings
193	Loans to Voluntary Organisations
800	Other Loans

*02 Welfare of Scheduled Tribes*

190	Loans to Public Sector and other Undertakings
193	Loans to Voluntary Organisations
800	Other Loans

*03 Welfare of Backward Classes*

190	Loans to Public Sector and other Undertakings
193	Loans to Voluntary Organisations
800	Other Loans

*80 General*

800	Other Loans
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**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****6235 Loans for Social Security  
and Welfare***01 Rehabilitation*

- 102 Displaced Persons from former West Pakistan
- 103 Displaced Persons from former East Pakistan
- 105 Repatriates from Sri Lanka
- 108 Migrants from Pak held Territories of J&K.
- 110 Tibetan Refugees
- 112 Relief and Rehabilitation of persons affected  
by Indo-Pak conflict 1971
- 140 Rehabilitation of repatriates from other  
countries
- 200 Other relief measures
- 202 Other rehabilitation schemes
- 800 Other Loans

*02 Social Welfare*

- 101 Welfare of handicapped
- 102 Child Welfare
- 103 Women's Welfare
- 104 Welfare of aged, infirm and destitute
- 105 Prohibition
- 106 Correctional Services
- 108 Ex-gratia payments to Indian Nationals for  
properties seized by Pakistan during and after  
1965 conflict
- 190 Loans to Public Sector & Other Undertakings
- 193 Loans to Voluntary Organisations
- 200 Other Programmes
- 800 Other Loans

*60 Other Social Security and  
Welfare programmes*

- 200 Other Programmes
- 800 Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6700 Loans for Major Irrigation**

Each Commercial Project  
will be a sub-major head

Each Noncommercial Project  
will be a sub-major head

60Others

**MINOR HEADS**

190	Loans to Public Sector and Other Undertakings
800	Other Loans

**MAJOR / SUB-MAJOR HEADS**                      **MINOR HEADS**

**6701 Loans for Major and Medium Irrigation**

Substitute the existing major head and sub-major head / minor heads there under with the following: -

**6701 Loans for Medium Irrigation**

Each Commercial Project will be a sub-major head

Each Noncommercial Project will be a sub-major head

60 Others

190	Loans to Public Sector and Other Undertakings
800	Other Loans



**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****6245 Loans for Relief on account of Natural Calamities***01 Drought (1)*

- 101 Gratuitous Relief
- 102 Drinking Water Supply
- 103 Special Nutrition
- 104 Supply of Fodder
- 105 Veterinary Care
- 282 Public Health
- 800 Other Loans
- 901 Deduct-Amount met from Natural Calamities unspent Margin Money Fund.
- 902 Deduct-Amount met from the Famine Relief Fund

*02 Floods Cyclones (1)*

- 101 Gratuitous Relief
- 102 Drinking Water Supply
- 103 Special Nutrition
- 104 Supply of Fodder
- 105 Veterinary Care
- 106 Repairs and restoration of damaged roads & bridges
- 107 Repairs and restoration of damaged office buildings
- 108 Repairs and restoration of damaged Government residential buildings
- 109 Repairs and restoration of damaged water supply, drainage and sewerage works
- 111 Ex-Gratia payment to bereaved families
- 112 Evacuation of population
- 113 Repairs/reconstruction of houses
- 114 Loans to farmers for purchase of agricultural inputs
- 115 Loans to farmers to clear sand/silt/salinity from lands
- 116 Loans to farmers for repairs of damaged tube wells/pumping sets etc.
- 117 Loans to farmers for purchase of live stock
- 118 Repairs /replacement of damaged boats and equipment for fishing
- 119 Loans to artisans for repairs/replacements of damaged tools and equipment
- 120 Loans to owners of salt works
- 121 Afforestation
- 122 Repairs and restoration of damaged irrigation and flood control works
- 282 Public health

**Note:**

- (1) Sub-heads corresponding to minor heads in the major head '2245- Relief on account of Natural calamities" may be opened.

**MAJOR / SUB-MAJOR HEADS**  
**6250 Loans for other Social Services**

**MINOR HEADS**

*01 Nutrition*

201 Production of nutritious foods and Beverages.  
202 Distribution of Nutritious food and Beverages  
800 Other Loans

*60 Other*

201 Labour  
202 Loans to Institute Management Committee of the ITIs  
800 Other Loans

**MAJOR / SUB-MAJOR HEADS****6401 Loans for Crop Husbandry****MINOR HEADS**

103	Seeds
104	Agricultural Farms
105	Manures and Fertilizers
106	High Yielding Varieties Programmes
107	Plant Protection
108	Food Grains Crops
109	Commercial Crops
110	Scheme for small and marginal farmers and Agricultural labourers
111	Agricultural Education
112	Development of Pulses
113	Agricultural Engineering
114	Development of Oil Seeds
119	Horticulture and Vegetable Crops
190	Loans to Public Sector and other undertakings
195	Loans to Farming Cooperatives
800	Other Loans (1)

**Note:**

- (1) This minor head will include transactions on account of loans under the 'e and Improvement Act' and 'Agriculturist's Loan Act'. If they are related to the function 'Agriculture', if however, such loans are for the purpose of 'Minor Irrigation. "Soil Conservation" or "Area Development" they will be accounted for under the relevant minor heads below the Major head "6402 loans for soil and water conservation This minor head will also include transactions on account of loans for the development and cultivation of ceiling surplus land assigned to the landless.

**MAJOR / SUB-MAJOR HEADS**  
**6402 Loans for Soil and Water Conservation**

**MINOR HEADS**

- 101 Soil Survey and Testing
- 102 Soil Conservation
- 203 Land Reclamations and Development
- 204 Water Conservation
- 800 Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6403 Loans for Animal  
Husbandry**

**MINOR HEADS**

102 Cattle and Buffalo Development  
103 Poultry Development  
104 Sheep and Wool Development  
105 Piggery Development  
106 Other Live Stock Development  
107 Fodder and Feed Development  
109 Extension and Training  
190 Loans to Public Sector and other undertakings  
195 Loans to animal Husbandry Cooperatives  
800 Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6404 Loans for Dairy  
Development**

**MINOR HEADS**

102 Dairy Development Projects (Each Milk  
Supply Scheme will be a Minor I lead)  
190 Loans to Public Sector and other undertakings  
800 Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6405 Loans for Fisheries**

**MINOR HEADS**

105	Processing, Preservation and Marketing
106	Mechanization of fishing crafts
190	Loans to Public Sector and other Undertakings
800	Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6406 Loans for Forestry and  
Wild Life**

**MINOR HEADS**

- 101 Forest conservation, Development and  
Regeneration
- 103 Environmental Forestry and Wild Life
- 104 Forestry



**MAJOR / SUB-MAJOR HEADS**  
**6407 Loans for Plantations**

**MINOR HEADS**

*01 Tea*

190 Loans to Public Sector and other Undertakings  
800 Other Loans

*02 Coffee*

190 Loans to Public Sector and other Undertakings  
800 Other Loans

*03 Rubber*

190 Loans to Public Sector and other Undertakings  
800 Other Loans

*04 Spices*

190 Loans to Public Sector and other Undertakings  
800 Other Loans

*60 Others*

533 Loans for Jute  
811 Loans for Coconuts  
813 Loans for Cashew  
829 Loans for Arecanut

**MAJOR / SUB-MAJOR HEADS**

**6408 Loans for Food Storage  
and Warehousing**

01 Food

**MINOR HEADS**

101 Procurement and Supply  
103 Food processing  
190 Loans to public sector and other undertakings  
800 Other Loans

*02 Storage and Warehousing*

190 Loans to public sector and other undertakings  
195 Loans to Cooperatives  
800 Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6416 Loans to Agricultural  
Financial Institutions**

**MINOR HEADS**

190	Loans to Public Sector and other undertakings
800	Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6425 Loans for Cooperation**

**MINOR HEADS**

106	Loans to Multipurpose Rural Cooperatives
107	Loans to credit Cooperatives
108	Loans to other Cooperatives
190	Loans to public sector and other undertakings

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**6435 Loans for other  
Agricultural Programmes**

*01 Marketing and quality  
control*

101 Marketing Facilities  
102 Grading and quality control facilities  
105 Forestry  
190 Loans to Public sector and other  
undertakings  
800 Other Loans

60 Others

(Each programme not covered elsewhere  
will be a minor head)

***MAJOR/SUB-MAJOR HEADS***

**6501 Loans for Special  
programmes *for* Rural  
Development**

**MINOR HEADS**

201 Integrated Rural Development Programme  
202 Drought Prone Area Development Programme  
203 Desert Development Programme

**MAJOR / SUB-MAJOR HEADS**

**6505 Loans for Rural  
Employment**

**MINOR HEADS**

200	Other Programmes
201	National Programmes

**MAJOR / SUB-MAJOR HEADS**  
**6506 Loans for Land Reforms**

**MINOR HEADS**

104	Loans to Allottees of surplus Land
800	Other Loans



**MAJOR / SUB-MAJOR HEADS**

**6515 Loans for other Rural  
Development programmes**

**MINOR HEADS**

101	Panchayat Raj
102	Community Development
103	Rural Works Programmes
800	Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6575 Loans for other Special  
Areas Programmes**

*02 Backward Areas*

*03 Tribal Areas*

*60 Others*

**MINOR HEADS**

Minor Heads Corresponding to functional Major  
Heads/Sub Major heads may be opened as necessary

**MAJOR/SUB-MAJOR HEADS**

**6701 Loans for Major and  
Medium Irrigation**

*01 Major Irrigation  
Commercial*

*02 Major Irrigation Non-  
Commercial*

*03 Medium Irrigation  
Commercial*

*04 Medium Irrigation Non-  
Commercial*

*60 Others*

**MINOR HEADS**

*(Each Project will be Minor Head)*

*(Each Project will be Minor Head)*

*(Each Project will be Minor Head)*

*(Each Project will be Minor Head)*

190 Loans to public sector and other  
undertakings

800 Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6702 Loans for Minor Irrigation**

**MINOR HEADS**

101	Surface Water
102	Ground Water
800	Other Loans

**MAJOR / SUB-MAJOR HEADS**  
**6705 Loans for Command Area  
Development**

**MINOR HEADS**

190 Loans to Public Sector and other undertakings  
800 Other Loans

**MAJOR/SUB-MAJOR HEADS**

**6711 Loans for Flood Control  
Projects**

**MINOR HEADS**

101 Anti-sea Erosion  
102 Flood Control  
108 Drainage

**MAJOR / SUB-MAJOR HEADS****6801 Loans for Power  
Projects (I)****MINOR HEADS**

190	Loans to Public Sector and other undertakings
201	Hydel Generation
202	Thermal Power Generation
203	Diesel/gas power generation
204	Rural Electrification
205	Transmission and Distribution
206	Nuclear Power Generation
800	Other Loans to Electricity Boards (I)

**Note:**

- (1) Loans to Electricity Boards and other parties earmarked for identifiable thermoelectric (excluding diesel), diesel and Hydro-electric power and their transmission and distribution will be accounted for under the minor heads, "Thermal Power Generation, "Diesel/gas power generation", "Hydel Generation and "Transmission and Distribution" respectively. Other loans to Electricity Boards, not identifiable with any of these minor heads will be accounted for under the minor head "Other Loans to Electricity Boards".

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**4810 Loans for New and Renewable Energy**

101	New and Renewable Energy Programmes and Applications
800	Others



***MAJOR/SUB-MAJOR HEADS***

**6851 Loans for Village and  
Small Industries**

**MINOR HEADS**

101	Industrial Estates
102	Small Scale Industries
103	Handloom Industries
104	Handicraft Industries
105	Khadi and Village Industries
106	Coir Industries
107	Sericulture Industries
108	Powerloom Industries
109	Composite Village and Small Industries Cooperative
200	Other Village Industries

**MAJOR/SUB-MAJOR HEADS**

**6852 Loans for Iron and Steel**

***Industries***

*01 Mining*

190	Loans to Public Sector and other undertakings
800	Other Loans

*02 Manufacture*

190	Loans to Public sector and Other undertakings
800	Other Loans

**MINOR HEADS**

**MAJOR/SUB-MAJOR HEADS****MINOR HEADS****6853 Loans for non-Ferrous  
Mining and Metallurgical  
Industries***01 Mineral Exploration and  
Development*

190

Loans to public sector and other undertakings

800

Other Loans

*02 Non-Ferrous Metals*

190

Loans to public sector and other undertakings

800

Other Loans

*60 Other mining and  
Metallurgical Industries*

190

Loans to public sector and other undertakings

800

Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6854 Loans for Cement and  
Non-Metallic Mineral  
Industries**

*01 Cement*

*60 Others*

**MINOR HEADS**

190 Loans to Public Sector and other undertakings  
800 Other Loans

190 Loans to Public Sector and other Undertakings  
800 Other Loans

**MAJOR / SUB-MAJOR HEADS**

**6855 Loans for Fertilizer  
Industries**

**MINOR HEADS**

101 Loans to Cooperative Fertilizer Factories  
190 Loans to public Sector and other undertakings  
800 Other Loans

**MAJOR / SUB-MAJOR HEADS**  
**6856 Loans for Petro-Chemical  
Industries**

**MINOR HEADS**

190	Loans for public sector and other undertakings
800	Other Loans

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**6857 Loans for Chemical and  
pharmaceutical Industries**

*01 Chemicals and Pesticides  
Industries*

190	Loans to Public Sector and other undertakings
800	Other Loans

*02 Drugs and  
Pharmaceutical Industries*

190	Loans to Public Sector and other undertakings
800	Other Loans

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****6858 Loans for Engineering Industries***01 Electrical Engineering Industries*

190 Loans to Public Sector and other undertakings  
800 Other Loans

*02 Other Industrial Machinery Industries*

190 Loans to Public Sector and other undertakings  
800 Other Loans

*03 Transport Equipment Industries*

190 Loans to Public Sector and other undertakings  
800 Other Loans

*04 Other Engineering Industries*

190 Loans to Public sector and other undertakings  
800 Other Loans



**MAJOR / SUB-MAJOR HEADS**

**6859 Loans for  
Telecommunication and  
Electronic Industries**  
*02 Electronics*

**MINOR HEADS**

190 Loans to Public Sector and other Undertakings  
800 Other Loans

**MAJOR/SUB-MAJOR HEADS****6860 Loans for Consumer Industries***01 Textiles*

101	Loans to Co-operative Spinning Mills.
190	Loans to Public Sector and Other Undertakings
800	Other Loans

*03 Leather*

190	Loans to Public Sector and Other Undertakings
800	Other Loans

*04 Sugar*

101	Loans to Co-operative Sugar Mills.
190	Loans to Public Sector and Other Undertakings
800	Other Loans

*05 Paper and Newsprint*

190	Loans to Public Sector and Other Undertakings
800	Other Loans

*60 Others*

101	Edible Oils
102	Foods and Beverages
206	Distilleries
212	Soap
213	Plastics
214	Toilet Preparation
216	Photo Films
218	Salt
317	Jute
600	Others

**MINOR HEADS**

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****6875 Loans for other Industries***01 Opium and Alkaloid  
Industries**60 Other Industries*

190	Loans to Public Sector and other Undertakings (1)
800	Other Loans

**Note:**

- (1) This minor head is intended to record loans granted for the Machinery and Engineering Industries, which cannot be accommodated under any of the other minor heads, such as. loans to 'Engineers (India) Ltd'. "National Buildings Construction Corporation Ltd." etc.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****6885 Other Loans to Industries  
and Minerals***01 Loans to Industrial**Financial Institutions*

101	Loans to Stressed Asset Stabilization Fund of Industrial Development Bank of India
190	Loans to Public Sector and other Undertakings
800	Other Loans

*02 Development of Backward  
Areas*

190	Loans to Public Sector and other Undertakings
800	Other Loans

*60 Others*

201	Loans under Excise Relief Scheme
800	Other Loans

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****7051 Loans for Ports and Light Houses***01 Major Ports*

190

A Minor Head for each Major Port  
Loans to Public Sector and other  
Undertakings

800

Other Loans

*02 Minor Ports*

190

A Minor Head for each Minor Port  
Loans to Public Sector and other  
Undertakings

800

Other Loans

*03 Light Houses and Lightships*

190

Loans to Public Sector and other  
Undertakings

800

Other Loans

*60 Others*

190

Loans to Public Sector and other  
Undertakings

800

Other Loans

**MAJOR / SUB-MAJOR HEADS**  
**7053 Loans for Civil Aviation**

**MINOR HEADS**

190 Loans to Public Sector and other Undertakings  
800 Other Loans

**MAJOR / SUB-MAJOR HEADS**

**7055 Loans for Road Transport**

**MINOR HEADS**

101	Loans in Perpetuity to Road Transport Corporations
190	Loans to Public Sector and other undertakings
800	Other Loans

**MAJOR / SUB-MAJOR HEADS**  
**7056 Loans for Inland Water  
Transport**

**MINOR HEADS**

190 Loans to Public Sector and other undertakings  
800 Other Loans



**MAJOR/SUB-MAJOR HEADS****7075 Loans for Other Transport Services***01 Roads and Bridges*

190

Loans to Public sector and other undertakings

800

Other Loans

*60 Other Transport Services*

800

Other Loans

**MINOR HEADS**

**MAJOR / SUB-MAJOR HEADS**  
**7425 Loans for Other Scientific  
Research**

**MINOR HEADS**

101	Loans to Scientific Bodies for Pharmaceutical Research
190	Loans to Public Sector and other undertakings
800	Other Loans

**MAJOR / SUB-MAJOR HEADS**  
**7452 Loans for Tourism**

**MINOR HEADS**

*01 Tourist Infrastructure*

101	Tourist Centres
190	Loans to Public Sector and Other Undertakings
800	Other Loans

*60 Others*

190	Loans to Public Sector and Other Undertakings
800	Other Loans

**MAJOR / SUB-MAJOR HEADS**  
**7453 Loans for Foreign Trade**  
**Export Promotion**

**MINOR HEADS**

190	Loans to Public Sector and other undertakings
800	Other Loans

**MAJOR / SUB-MAJOR HEADS**

**7465 Loans for General  
Financial and Trading  
Institutions**

**MINOR HEADS**

101 General Financial Institutions  
102 Trading Institutions  
800 Other Loans

**MAJOR / SUB-MAJOR HEADS**  
**7475 Loans for Other General  
Economic Services**

**MINOR HEADS**

101	General Financial Institutions
102	Trading Institutions
103	Civil Supplies
104	Meteorology
800	Other Loans

**MAJOR / SUB-MAJOR HEADS****7610 Loans to Government  
Servants etc (1)****MINOR HEADS**

201	House Building Advances
202	Advances for purchase of Motor Conveyances
203	Advances for purchase of other conveyances
204	Advances for purchase of Computers
800	Other Advances

**Note:**

- (1) Advances to Ministers, Deputy Ministers, Presiding Officers of the houses of Parliament and State Legislatures, Members of Parliament/Members of State Legislatures for the purchase of motor conveyances and House Building advance to Members of State Legislatures shall be, recorded under this Major Head.

**MAJOR / SUB-MAJOR HEADS**

**7615 Miscellaneous Loans**

**MINOR HEADS**

101 Loans to Contractors for Purchase of  
machinery etc (Not debited to works)

200 Miscellaneous loans



## G. Inter-State Settlement

### MAJOR / *SUB-MAJOR HEADS*

#### 7810 Inter State Settlement (1)

### MINOR HEADS

109	Andhra Pradesh and Karnataka
110	Andhra Pradesh and Maharashtra
120	Centre and Andhra Pradesh

#### Note:

- (1) This major head is intended to provide for the accounting of sums due by one State Government to another under the financial settlement on the setting up of new States or under the States Reorganization Acts as well as the financial settlement between the Centre and foreign countries. Minor heads other than those provided for may be opened as and when necessary. These minor heads will close to Government in the Ledger.

**H. Transfer To Contingency Fund**

**MAJOR / *SUB-MAJOR HEADS***

**MINOR HEADS**

**7999 Appropriation to the  
Contingency Fund**

201 Appropriation to Contingency Fund

## CONTINGENCY FUND

### MAJOR / SUB-MAJOR HEADS

8000 Contingency Fund

### MINOR HEADS

201 Appropriation from the Consolidated Fund (1)  
Each major head in the Consolidated Fund  
(Revenue Expenditure, Capital Expenditure,  
Public Debt, Loans and Advances and Inter  
State Settlement) as deemed necessary will  
appear as a minor head.

### Note:

(1) The amounts appropriated from the Consolidated Fund for transfer to the Contingency Fund, and debited under the major head "7999- Appropriations to Contingency Fund", will be credited under this minor head.

## PUBLIC ACCOUNT

### I. Small Savings, Provident Fund etc.

#### (a) *National Small Savings Fund*

#### MAJOR / SUB-MAJOR HEADS

8007 Investments of National  
Small Savings Fund

#### MINOR HEADS

- |     |   |
|-----|---|
| 101 | Investment in Special Central Government Securities issued against outstanding balances of Small Savings as on 31-3-1999                    |
| 102 | Investment in Special Central Government Securities issued against net collections of Small Savings from 1-4-1999                           |
| 103 | Investment in Special State Government Securities (1)   |
| 104 | Investment of sums, received in NSSF on redemption of special Central/State Government securities, in special Central Government Securities |

#### Note:

- (1) Name of the State will appear as sub-head.

**(b) State Provident Funds**

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**8009 State Provident Funds**

*01 Civil*

- 101 General Provident Fund
- 102 Contributory Provident Fund
- 103 ICS Provident Fund (1)
- 104 All India Services Provident Fund

*04 Interest suspense*

- 101 Interest suspense Account (4)

*60 Other Provident Funds*

- 101 Workmen's Contributory Provident Fund
- 102 Contributory Provident Pension fund
- 103 Other Miscellaneous Provident Funds (3)

**Note:**

- (1) ICS (Non European Members) Provident Fund may be recorded under a separate sub-head below this minor head.
- (3) Each Provident fund will be shown distinctly under a separate sub-head.
- (4) When a Government servant is transferred permanently from one Government to another, interest on provident fund balances received from the transferring Government is held temporarily under this head pending clearance by per contra over to the fund account of the subscriber concerned.

*(c) Other Accounts*

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**8010 Trusts and Endowments**

101	Treasury Notes(1)
104	Endowments for Charitable and Educational Institutions
105	Other Trusts (2)

**Notes:**

- (1) Separate sub-heads may be opened for the Treasury Notes on account of the 'Bhonsla and other Nagpur Temples' and "Non-Transferable Notes at 4% (Madras)".
- (2) Deposits of Trusts created by the 'Nizam of Hyderabad' and 'Appropriation for the maintenance of Madho Rao' will be recorded under separate sub-heads under this minor head. This minor head will include inter alia transactions relating to 'Deposits of Assam Williamson Education Endowments Fund (Assam)' 'Deposits of Gopal Chandra Trust Fund '(Assam)', 8% and 6% Perpetual loans (Madras and other similar trusts, if any, for each of which there will be specific sub-heads).

**MAJOR / SUB-MAJOR HEADS****8011 Insurance and Pension Funds****MINOR HEADS**

101	Postal Insurance and Life Annuity Fund
102	Family Pension Funds (2)
103	Central Government Employees' Group Insurance Scheme (4)
104	Union Territory Employees' Group Insurance Scheme (5)
105	State Government Insurance Fund (1)
106	Other Insurance and pension Funds (3)
107	State Government Employees' Group Insurance Scheme(5)

**Notes:**

- (1) This minor head will record transactions connected with Insurance Schemes run by State Governments with specific sub-heads for Life Insurance Schemes and General Insurance Schemes.
- (2) This minor head will record transactions relating to Bombay Family Pension Fund of Govt. servants, Bengal Uncovenanted Service Family Fund, General Family Pension Fund of GRADE IV Governments Servants. Hindu Family Annuity Fund etc., under distinct sub-heads.
- (3) Each category of Insurance or Pension Funds will be recorded separately under distinct sub-heads.
- (4) Subscriptions recovered under the scheme will be credited to the minor head proper by all concerned accounting authorities. Apportionment thereof will however be done by the C.G.A.'s Organisation between the following two sub-heads:
  - (a) Insurance fund
  - (b) Savings Fund
- (5) The nomenclature of the minor head shall contain the name of the State or Union Territory as the case may be e.g. "Punjab State Government Employees' Group Insurance Scheme " This minor head will have two sub-heads viz.:-
  - (a) Insurance Funds
  - (b) Savings Fund

**MAJOR / SUB-MAJOR HEADS**  
**8012 Special Deposits and**  
**Accounts**

**MINOR HEADS**

- 101 Investment of Deposits of U.S Counterpart Funds
- 102 Special Securities Issued to Foreign Government under Bilateral Trade Agreements
- 103 Special Securities Issued to Rural Electrification Corporation
- 104 Special Securities Issued to Industrial Development Bank of India
- 105 Special Securities Issued to Unit Trust of India
- 106 Special Securities Issued to National Bank for Agricultural and Rural Development
- 107 "Special Deposits by Provident, Superannuation and Gratuity Fund"
- 108 Special *Drawing* Rights at the I.M.F
- 109 Income Tax Annuity Deposits
- 110 Compulsory Deposits
- 111 Deposits By State Bank of India
- 112 Deposits by the Kudremukh Iron ore Company Ltd.
- 113 Deposits by the Indian Oil Corporation
- 114 Deposits by the Madras Refineries Ltd.
- 11 5 Deposits by the General Insurance Corporation and its Subsidiaries
- 116 Deposits by the Life Insurance Corporation of India
- 117 Deposits of Unit Trust of India
- 118 Deposits of the I.B.R.D
- 119 National Deposit Scheme
- 120 Special Securities Issued to Nationalized Banks
- 121 Special Deposits by the Employees State Insurance Corporation
- 122 Special Deposits by the Unit Trust
- 123 Special Deposits of Employees Provident Fund Scheme (Administration Fund)
- 124 Special Deposits of Employees Deposit Linked Insurance Scheme (Administration Fund)
- 125 Petroleum Bonds (1)
- 126 Special Securities issued to Stressed Assets Stabilization Fund in consideration of stressed assets of IDBI
- 127 Special Securities issued to Food Corporation of India
- 128 Special Securities issued to Oil Marketing Companies (8.13 per cent Oil Marketing Companies' Government of India Special Bonds, 2021)
- 129 Issue of Special Bonds to Fertilizers Companies as compensation towards fertilizer subsidy

**Note:**

- (1) A separate sub-head may be opened for different series of Bonds.



## J. Reserve Funds

### (a) Reserve Funds Bearing Interest

MAJOR / SUB-MAJOR HEADS	MINOR HEADS
8115 Depreciation/Renewal Reserve Funds	
	103 Depreciation Reserve Funds- Government Commercial Departments and Undertakings (2)
	104 Depreciation Reserve Funds- Government Non-Commercial Departments and Undertakings (2)
	105 Depreciation Reserve Funds-Investment Account (3)

#### Notes:

- (2) Each fund relating to each Government commercial or non-commercial department/undertaking may be recorded under a distinct sub-head below these minor heads.
- (3) Investments relating to each fund may be recorded under a distinct sub-head below this minor head.

**MAJOR / SUB-MAJOR HEADS**  
**8121 General and other Reserve Funds**

**MINOR HEADS**

101	General and Other Reserve Funds of Govt. Commercial Departments/Undertakings (1)
102	Development fund for Agricultural Purposes
109	General Insurance Fund
110	General Insurance Fund-Investment account
111	Contingency Reserve Fund -Electricity (3) (4)
112	Contingency Reserve Fund -Electricity-Investment Account (4)
113	Amenities Reserve Fund
114	Amenities Reserve Fund-Investment Account
115	Natural Calamities Unspent Marginal Money Fund
116	Natural Calamities Unspent Marginal Money Fund-Investment Account
117	Employees Welfare Fund (Andhra Pradesh State)
118	National Fund for control of drug abuse
122	State Disaster Response Fund
124	Price Stabilization Fund
125	Pharmaceutical Research and Development Support Fund

**Notes:**

- (1) This minor head will record transactions on account of General Reserve Funds of Government commercial departments such as the General Reserve Fund of Light Houses and Lightships, and Deposits of other Reserve Funds of Government commercial undertakings. Each fund may be recorded under a distinct sub-head.
- (3) Interest on the balances of this fund as well as interest and dividends on securities purchased from this Fund are credited to this Fund.
- (4) These minor heads will include also the transactions on account of the Contingency Reserve Funds of the Nuclear Power Schemes. For this purpose a separate sub-head may be opened for the Contingency Reserve Fund of each Nuclear Power Station.

***(b) Reserve Funds not Bearing Interest***

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**8222 Sinking Funds**

*01 Appropriation for  
reduction or avoidance  
of Debt*

101 Sinking Funds (1)  
102 Other Appropriation (2)

*02 Sinking Fund Investment  
Account (3)*

101 Sinking Fund-Investment Account

**Notes:**

(1) This head is credited with the amount set apart each year for the sinking fund created for a loan by charge to "2048- Appropriation for Reduction or Avoidance of Debt" and with the profits realised on investment of balances in the Fund. The charges connected with the redemption of debt by direct discharge are debited to the head "Internal Debt". On the maturity of the loan, the balance outstanding under this head is credited to the head "8680- Miscellaneous Government Account-Ledger Balance adjustment account".

In cases of securities purchased and cancelled before maturity, the purchase price of the securities is debited initially to "Sinking Fund Investment Account." On actual cancellation of the securities, the nominal value of the securities cancelled is debited to the head 'Internal Debt by contra credit to the 'Sinking Fund investment Account' to the extent of the original purchase price and loss or gain, due to difference between the purchase price and the face value of the securities is debited or credited to this head (Sinking Fund). Simultaneously an amount equivalent to the nominal value of the securities cancelled is credited to "8680- Miscellaneous Government Account Ledger Balance Adjustment Account" by per contra debit to this head.

A Consolidated Sinking Fund for all loans floated, instead of each individual Sinking Fund hi respect of each such loan can be maintained at the option of the concerned Government provided contributions representing each loan are continued to all the Sinking Funds, the maintenance of which is obligatory under any law or any understanding given by the Government in the case of any such loan.

(2) This head will be closed to "8680- Miscellaneous Government Account-Ledger Balance Adjustment Account".

(3) In cases where the amounts at credit of the Sinking Funds are invested, the amount expended on the purchase of securities should be debited to this head, which will be credited to the same extent when the securities are sold, and any profit or loss arising out of the investment being transferred to the head "Appropriation for Reduction or Avoidance of Debt-Sinking Funds". Interest realised on securities purchased on the investment account should be credited and any payment of advance interest on securities purchased on that account should be debited to the head 'Sinking Fund' unless the respective Governments decide that such receipt on interest and payment of advance interest on securities purchased will be taken to the revenue account under "0049- Interest Receipts 2049 - Interest payments".

**MAJOR/SUB-MAJOR HEADS**  
**8223 Famine Relief Fund (3)**

**MINOR HEADS**

101	Famine Relief Fund (1)
102	Famine Relief Fund-Investment Account (2)

**Notes:**

- (1) In States where this statutory fund is styled under a different name such as " West Bengal Famine Insurance Fund" in West Bengal, the nomenclature of this minor head may be modified accordingly. When more than one fund other than this statutory fund is in operation in 'any State e.g. Famine Fund Deposit Account (Bihar) each such fund may be exhibited under a separate sub-head, below this minor head. The account of this fund may be exhibited under the following distinct sub-heads: -

**Receipts**

Transfers from the revenue account  
Interest receipts.  
Gain on realization of securities  
Other receipts

**Payments**

Transfers to the revenue account.  
Transfers to general balances for repayment of debt.  
Transfers to the general balance for financing loans to cultivators etc. Loss on realization of securities.  
Other payments.  
Wherever it is decided to transfer amount from this fund to general balance either for repayment of debt or for financing loans to cultivators etc. such amounts shall be debited to the sub-heads "Transfers to general balance for repayment of debt" and "Transfers to general balances for financing loans to cultivators etc." respectively by per contra credit to "8680- Miscellaneous Government Account-Ledger Balance Adjustment account".

- (2) The sub-heads will be "Purchase of Securities" and "Sale of Securities".  
(3) The term "Famine" is to be interpreted in the widest sense to cover Natural Calamities of all types such as floods, drought, earth-quakes etc.

**MAJOR / SUB-MAJOR HEADS**  
**8224 Central Road Funds (I)**

**MINOR HEADS**

101 Central Road Fund (1)

**Notes:**

(1) This fund is constituted out of the proceeds of excise and import duties on motor spirits earmarked for road development. The amount sanctioned each year for transfer to this fund is credited to this head by contra debit to the major head '3054 Roads and Bridges' in the accounts of the Central Government. Out of this amount 80% is allocated to the States etc and the balance 20% is retained by the Central Government as ordinary reserve to which is also added receipts accepted from other sources which are treated as Special Reserves.

The accounting procedure for allocations from this fund and expenditure there from is as under:-

A. Central Government and Union Territory Governments without Legislature  
Direct expenditure on roads etc. incurred and to be met out of the allocations from the Fund (Ordinary or Special) and the expenditure on the Roads wing of the Ministry of Transport are initially debited to major head '3054- Roads and Bridges' or any other appropriate head of account concerned and '3451- Secretariat-Economic Services' respectively. The debits under these heads are subsequently set off by transfer of equivalent amount from this fund.

B. State Governments

The amounts allocated to the State Governments whether from the 80% allocation to the States or from the Reserves are debited in the Central Books to the major head '3601- Grants-in-aid to State Governments'. This head is relieved simultaneously by a deduct entry by transfer of equivalent amounts from this Fund.

In the State Accounts, the amounts so received are credited to the major head '1601- Grants-in-aid from Central Government'. Out of these amounts, the allocations other than those from reserves, are credited to major head '8449- Other Deposits-Subventions from Central Road Fund', by per contra debit to the major head '3054- Roads and Bridges' or any other appropriate head of account concerned. Such of the expenditure under this major head as is to be met out of the allocations other than those from the Reserves, is set-off by transfer of the equivalent amounts from the deposit head mentioned above.

C. Union Territories with Legislature

The amounts sanctioned to the Union Territories with Legislature are debited in the accounts of the Central Government to the major head '3602- Grants-in-aid to Union Territory Government'. This head is relieved simultaneously by transfer of equivalent amounts from this fund.

In the books of the Union Territory Governments with Legislature these grants are credited under the major head '1601- Grants-in-aid from Central Government'. The expenditure in reimbursement of which these grants are made, is debited to the Major head '3054- Roads and Bridges'.

**MAJOR/SUB-MAJOR HEADS****MINOR HEADS****8225 Roads and Bridges Fund***01 National Highways**Permanent Bridges Fees**Fund (1)*

101 National Highways Permanent Bridges Fees Fund

*02 State Roads and Bridges**Fund*

101 State Road and Bridges Fund

102 State Road and Bridges Fund-Investment  
Account**Notes:**

- (I) This Fund is constituted out of the proceeds of levy of fees for services rendered relating to the use of permanent bridges costing more than Rs.25 lakhs each, completed and opened to traffic on or after 1st April, 1976 on National highways. The proceeds from the fees shall initially form part of the Consolidated Fund of India under the major head "1054". The expenditure incurred by the State/U.T. Governments for collection of fees shall be reimbursed to that Government at actuals for each bridge subject to a maximum limit of 12% of the total collections effected within the State/UT and shall be debited to the sub-head " Cost of collection of fees payable to State Govt./U.T. Governments' below the major and minor heads "3054-Roads and Bridges -Fees on National Highways permanent Bridges"

A sum equal to the amount estimated to be received during a year shall be provided for transfer to the Fund Account by contra debit to the major head 3054 Roads and Bridges" in the account of the Central Government, Similarly, the debit initially appearing in accounts on account of cost of collection below the major head '3054" referred to above shall also be relieved by debit to the Fund Account by contra credit to the major head "3054". The procedure prescribed in para 3.4 of the General Direction shall be followed for this purpose. The amount outstanding to the credit of the Fund will be allocated by the Central Government for development of National Highways in the State and Union Territory Governments and the amount so allocated shall, as far as possible, be equal to the net fees collected in the respective States/UTs under these Rules.

The allocation so made to the States and Union Territory Governments shall be over and above the normal plan allocation which shall be augmented to the extent of net proceeds as stated above. The proceeds of the fees remaining unutilized at the end of a financial year shall not lapse at the close of that financial year but shall be available for being utilized during subsequent year or years against the individual works to be approved by the Central Government.

**MAJOR / SUB-MAJOR HEADS**  
**8226 Depreciation/Renewal**  
**Reserve Fund**

**MINOR HEADS**

101	Depreciation Reserve Funds of Government Commercial Departments/Undertakings (1)
102	Depreciation Reserve Funds of Government Non-Commercial Departments (1) (2)

**Notes:**

- (1) Please see Note (2) below the Major head '8115- Depreciation/Renewal Reserve Funds'.
- (2) This minor head is intended to record the transactions on account of Depreciation Reserve Funds of Non-commercial Departments of Governments like the Government Presses.

**MAJOR / SUB-MAJOR HEADS**  
**8228 Revenue Reserve Funds**

**MINOR HEADS**

101	Revenue Reserve Funds (1)
102	Revenue Reserve Funds-Investment Account

**Note:**

- (1) The minor head is intended to record such funds as 'Special Revenue Reserve Fund (Gujarat)' and similar other temporary Revenue Reserve Funds, if any, in other States, which should be distinctly recorded under sub-heads below this minor head.



**MAJOR/SUB-MAJOR HEADS****8229 Development and Welfare Funds****MINOR HEADS**

101	Development Funds For Educational Purposes (1)
102	Development Funds For Medical and Public Health Purposes (2)
103	Development Funds For Agricultural Purposes (3)
104	Development Funds For Animal Husbandry Purposes (9)
105	Sugar Development Fund
106	Industrial Development Funds (5)
107	Funds for Development of Milk Supply
108	Mining Areas Development Funds
109	Cooperative Development Funds (4)
110	Electricity Development Funds (6)
111	Capital Construction Funds
112	Port Development Funds
113	Port Development Funds-Investment Account
114	Mines Welfare Funds (7)
115	Cine- Workers Welfare Fund
119	Employment Guarantee Fund
121	Performance Award Fund
123	Consumer Welfare Fund (10)
200	Other Development and Welfare Fund (8)

**Notes:**

- (1) This minor head will include funds like 'University Fund', "Library Funds'. "Scholarship Fund', 'Education Cess Fund', 'Non - Government Schools and 'Colleges Loan Fund (Assam),' 'Fund for Development of Hindi and other State Languages' etc., which would be recorded under distinct sub-heads. Where any such fund is invested, the corresponding investments should also be exhibited under a distinct sub-head.
- (2) This head includes funds like Hospital Funds' Fund for Research and development of Haffkine Institute', 'Fund for development of Water Supply (Madras)' etc.. which should be recorded under distinct sub-heads. Where any of the funds are invested. the corresponding investment should also be exhibited under distinct sub-head.
- (3) This includes "State Agricultural Credit Relief and Guarantee Fund", "Sugar Cane Cess Fund', etc. which should be recorded under distinct sub-heads. Where any of the funds are invested, the corresponding investments should also he exhibited under distinct sub-heads.
- (4) This includes 'State Co-operative Development Fund'.
- (5) Includes 'Industrial Loan Fund', Industrial Research and Development Fund'. 'Cotton Textile Fund' 'Reserve Fund for protection of Sugar Industry' etc. as distinct sub-heads. If any of these funds are invested. the investment accounts should be exhibited under distinct sub-heads.

- (6) Includes 'Special Reserve Fund-Electricity', 'Special Reserve Fund-Electricity Investment Account', etc. as distinct sub-heads.
- (7) "Mica Mines Welfare Fund", "Coal Mines Labour Housing and General Welfare Fund", "Coal Mines Central Rescue Station Fund", "Kerala Mining Areas Welfare Fund" "Salt Mines Welfare Fund" etc. will appear as distinct sub heads under this minor head.
- (8) Includes 'Defence Modernisation Fund', Mandi Development Fund', 'Special Development and Reserve Fund (Mysore, 'Village Development Fund', 'Fund for village reconstruction and Harijan uplift', 'Teachers, gratuity fund', "Fund for the benefit of cotton growers", 'Fishermen's relief fund', 'Flood and Hue emergency fund'. 'Sugar Research and Labour Housing Fund', 'Fund for the promotion of education amongst the educationally backward classes, etc., as distinct sub-heads.
- (9) Includes 'world food programme-maize fund' as a distinct sub-head.
- (10) The debits to Consumer Welfare Fund under this head on this account may be adjusted by per -contra credit to sub-head 'Deduct - Amount met from Consumer Welfare Fund' under the minor head 'Transfer from reserve funds' below major heads, 3456, 3601 & 3602 which may be opened according to the need.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS****8235 General and other Reserve Funds**

101	General Reserve Funds of Government Commercial Departments! Undertakings
102	Zamindari Abolition Fund
103	Religious and Charitable Endowment Funds
105	General Insurance Fund (1)
106	General Insurance Fund-Investment Account (1)
107	Ethyl Alcohol Storage Facilities Fund
108	Ethyl Alcohol Effluent Disposal Facility Fund
110	Food Grains Reserve Fund
111	State Disaster Response Fund
112	State Disaster Response Fund - Investment Account
114	State Renewal Fund (4)
116	Investor Education and Protection Fund
117	Guarantee Redemption Fund
119	National Calamity Contingency Fund
120	Guarantee Redemption Fund – Investment Account
121	MUTP loan repayment reserve fund
126	Central Electricity Regulatory Commission Fund
127	Warehousing Development and Regulatory Authority Fund
128	National Social Security Fund for Unorganized Labour
129	National Clean Energy Fund
200	Other Funds (2)
201	Other Funds-Investment Account (3)

**Notes:**

- (1) Transactions relating to "Motor Vehicles (Third Party) Insurance Fund" and the corresponding investments should be shown under distinct sub-heads. Also includes transactions pertaining to the following funds which should be recorded under distinct sub-heads.
  - (i) Emergency Risks (Goods) Insurance Fund, 1962
  - (ii) Emergency Risks (Factories) Insurance Fund, 1962
  - (iii) Emergency Risks (Goods) Insurance Fund, 1971
  - (iv) Emergency Risks (Undertakings) Insurance Fund, 1971
  - (v) War Risks (Marine Hulls) Re-insurance Fund, 1971
- (2) Includes the following funds, which should be recorded under distinct sub-heads.
  - (i) Publication Fund (Assam).
  - (ii) Magh Mela Fund (U.P)
  - (iii) Nazul Fund (Lucknow).
  - (iv) Motor Transport Reserve Fund.
  - (v) State Equalisation Fund.
  - (vi) Silver Redemption Fund.
- (3) Investments' in respect of the various funds referred to in Note (2) if any, should be recorded under distinct sub-heads under this minor head.
- (4) The nomenclature of the minor head shall contain the name of the State or Union Territory, as the case may be.

## K. Deposits and Advances

### (a) *Deposits Bearing Interest*

<b>MAJOR / SUB-MAJOR HEADS</b>		<b>MINOR HEADS</b>
<b>8336 Civil Deposits</b>		
	101	Security Deposits (I)
	800	Other Deposits

**Note:**

- (1) This will also record Security Deposits deposited by Emigrants prior to 14-9-87 (which were also earning interest with the banks) under Emigration Rules, 1983 and which are transferred by State Bank of India, Bombay and State Bank of Patiala, New Delhi to Government Accounts.

**MAJOR / SUB-MAJOR HEADS**  
**8338 Deposits of Local Funds**

**MINOR HEADS**

101	Deposits of Municipal Corporations (1)
102	Deposits of State Transport Corporations
103	Deposits of State Housing Boards
104	Deposits of other Autonomous Bodies (2)

**Notes:**

- (1) Deposits in respect of each Municipal Corporation may be shown under a distinct sub-head.
- (2) This minor head will record interest bearing deposits of autonomous bodies which have been declared as Local Funds. Deposits in respect of each such fund will be recorded under a distinct sub-head.

**MAJOR / SUB-MAJOR HEADS****8342 Other Deposits****MINOR HEADS**

101	National Defence Fund
102	Deposits of Shipping Development Fund
103	"Deposits of Government Companies, Corporations etc. (1)
104	"Coal Mines Pension Scheme, 1998"
105	"Coal Mines Deposit-Linked Insurance Scheme, 1976"
106	"Employees' Family Pension Scheme, 1971"
107	Deposits Towards Payment of Estate Duty
112	Field Deposits
113	Solarium Fund
116	Deposits of State Bank of India under NRI Bonds Scheme.
117	Defined Contribution Pension Scheme for Government Employees
120	Miscellaneous Deposits (2)

**Notes:**

- (1) Deposits of each Government Company/Corporation will be recorded under a separate sub-head.
- (2) This is a residuary head, intended to record all types of miscellaneous deposits with a distinct sub-head for each type of deposit.

**(b) Deposits Not Bearing Interest**

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**8443 Civil Deposits**

101	Revenue Deposits (1)
103	Security Deposits (3)
104	Civil Courts Deposits (4)
105	Criminal Courts Deposits
106	Personal Deposits (5)
107	Trust Interest Funds (6)
108	Public works Deposits
109	Forest Deposits
110	Deposits of Police Funds
111	Other Departmental Deposits
112	Deposits for purchases etc. in India (7)
113	Deposits for purchases etc, abroad (8)
114	Export Trade Deposits
115	Deposits received by Government Commercial Undertakings
116	Deposits under various Central and State Acts (9)
117	Deposits for work done for Public bodies or private individuals (10)
118	Deposits of fees received by Government servants for work done for private bodies.
119	Companies Liquidation Accounts (11)
121	Deposits in Connection with Elections (13)
122	Mines Labour Welfare Deposits (14)
123	Deposits of Educational Institutions
124	Unclaimed Deposits in the G.P. Fund (15)
125	Unclaimed Savings Bank Deposits
126	Unclaimed Deposits in other Provident Funds (15)
129	Deposits on a/c of cost price of Liquor, Ganja and Bhang
130	Provident Societies Liquidation Account (12)
800	Other Deposits (16)

**Notes:**

- (1) Revenue deposits are made in Revenue Courts or in connection with revenue administration.
  
- (3) These will include earnest money deposits made by intending tenderers of the Civil Defence Departments, and Security Deposits realised by the Police Department under the Motor Vehicles Tax Act or other Acts. In the case of earnest money deposits of intending tenderers of the P.W.D., these relating to successful tenderers, where the Departmental officers of the P.W.D. desire that these deposits should be transferred to the credit of the P.W. Department as security deposit of contractors, they may be transferred to the minor head "P.W.D.

deposits' in terms of 188 of Central Government Accounts (R & P) Rules 1983. This head also includes cash security deposits realised under the financial rules of the Government and Security Deposits under Emigration Rules, 1983. Cash security deposits of subordinates of the P.W.D. realised in public works divisions will, however, be credited under the minor head 'public works deposits'.

- (4) Under Civil Court Deposits, Supreme Court, High Courts, Small Causes Courts and Income-tax Officers who receive such deposits may be distinguished in inner columns.
- (5) 'Personal Deposits' are deposits of which a banking account only is kept (not being Civil or Criminal Court Deposits). Details such as "Wards" and "Attached Estates Deposits" and "Trusts and Endowments" may be kept in the local accounts.
- (6) This head is intended as a "Personal Deposit" for accommodating receipt on account of interest on the securities held by the Accountants General and other Government Officers acting as Treasurers of Charitable Endowments under the Charitable Endowments Act, and also for making payment of arrears of interest etc. from out of the accretions and balances lying at the credit of this head.
- (7) This head is intended to record inter-alia the deposits received from Municipalities and other outside bodies etc., on account of value of stores purchased by them through the Director General of Supplies and Disposals of Government of India or other Central stores purchases organisations etc. in the State Government.
- (8) Amounts deposited in respect of purchase and procurements under foreign Credit/Loan agreements are adjusted under a sub-head "Purchases under Credit/Loan agreements", while those relating to other purchase and procurements, viz., through the I.S.M. etc. are taken to a sub-head "Other purchases." Suitable detailed heads may be opened for each Credit/Loan agreements wherever necessary. Another subhead "Miscellaneous" is intended to account for the rupee deposits made by the State Electricity Boards on account of inspection charges.
- (9) Deposits in respect of each "Act" may be shown under a distinct sub-head, such as "Deposits under Section 22-D of Minimum Wages Act, 1948", "Deposits under the Contract Labour (Regulations and Abolition) Act, 1970", "Deposits of the surplus estates of deceased officers, deserters and others of the Indian Army", "Deposits under the Bombay Public Conveyance Act", etc.
- (10) Sums received in advance from Municipalities or other bodies financially independent of Government for payment of compensation for land acquired for such bodies are credited to this head. Fees deposited by the Indian Nationals for procurement of Educational Certificates etc. for them from the Bangladesh authorities (Through Indian High Commission in Bangladesh) will also be recorded under this minor head.
- (11) This head is intended to record the credits on account of unclaimed dividends and undistributed assets of companies in official or voluntary liquidation.



- (12) This head receive the sums made over by the liquidators to the Superintendent of Insurance under Section 93(5) of the Insurance Act, 1938. If within a period of five years from the date on which any sums have been made over to the Superintendent of Insurance an order of a Court of competent jurisdiction has not been obtained at the instance of any claimant to such sums for their disposal, the said sums shall become the property of Government.
- (13) The deposits under this minor head are to be classified under the following sub-heads:
1. Deposits made by candidates for State/Union Territory Legislature.
  2. Deposits made by candidates for Parliament
  3. Deposits made for election petitions.
  4. Deposits made for election appeal.
  5. Deposits made by Candidates for Presidential/Vice Presidential Elections.
- (14) Deposits on account of the Coal, Mica and Other Mines may be shown under distinct sub heads.
- (15) The sums lying at the credit of the subscribers in these Provident Funds, of which payments have not been taken within the prescribed period after they become payable under the P.F. rules, should be transferred to these heads at the end of each year, and dealt with under the ordinary rules relating to deposits. namely that action shall be taken to lapse all deposits to Government. keeping in view the provisions of Rule 189 of Central Government (Receipt and Payment) Rules, 1983 or Rule 635 of C.T.Rs. or the corresponding provisions in the State Treasury Rules/Codes etc. The amount should by transfer be credited to the head of account "0075-Misc. General services-unclaimed deposits", after keeping a note in the Register of deposits against the relevant items.
- (16) This residuary minor head includes all other categories of deposits, which cannot be brought under the other distinct minor heads under this major head. These include "Deposits of the District Chowkidar Reward Fund, Assam", "Deposits of the Assam Village Development Fund", "Deposits of the Coal field Recruiting Organisation", "Municipal Taxes on Government Residential Buildings", "Sinhastha Mela Fund (MP)", "Official Receivers Remuneration Fund", "Cash Deposits of retiring Government servants" etc. Separate sub-heads may be opened for each of these deposits, under this minor head.

**MAJOR / SUB-MAJOR HEADS****8448 Deposits of Local Funds****MINOR HEADS**

101	District Funds
102	Municipal Funds
103	Cantonment Funds
105	State Transport Corporation Funds
107	State Electricity Boards Working Funds
108	State Housing Boards Funds
109	Panchayat Bodies Funds (1)
110	Education Funds
111	Medical and Charitable Funds
112	Port and Marine Funds
120	Other Funds (2)

**Notes:**

- (1) Includes funds such as "Panchayat Samiti Funds", "Village Panchayat Funds", "Zila Parishad Funds" etc. which may be exhibited under distinct sub-heads.
- (2) Includes all other miscellaneous funds such as "Town and Bazar Funds" which may be shown under distinct sub-heads.

**MAJOR / SUB-MAJOR HEADS****8449 Other Deposits****MINOR HEADS**

102	Cement Regulation Account
103	Subventions from Central Road Fund (1)
104	Deposits of Mines Provident Fund
105	Deposits of Market Loans (3)
108	Deposits of Local Bodies for discharge of Loans (2)
109	Levy Sugar Price Equalization Fund
110	Personal injuries (Compensation and Insurance) Fund
111	Drug Prices Equalization Fund
112	Coconut Development Fund
113	Oil-seeds and Vegetable Oil Development Fund;
114	Advance Deposits for IDA Aided Projects (6)
115	Advance Deposits for IBRD Aided Projects (7)
117	Advance Deposits for IFAD Aided Projects (8)
118	Advance Deposits for Japanese grants aided project (9)
119	Advance Deposits for ADB assisted Projects (10)
120	Miscellaneous Deposits (4)

**Notes:**

- (1) See Note (I) below the major head "8224 Central Road Fund".
- (2) Represents deposits of Sinking Funds created by local bodies for discharge of loans taken from Government.
- (3) Subscriptions received towards various market loans floated by the state/Central Governments are initially recorded under this minor head. pending eventual transfer to the major head "Internal Debt of the State Governments/Central (Government Market Loans" on receipt of details from the Reserve Bank of India. Bombay.
- (4) This residuary minor head is intended to record transactions on account of deposits which cannot be accommodated under any of the other minor heads under this major head. Separate sub-heads may be opened for each type of such deposits.
- (5) The following are the authorised sub heads under this minor head.
  - (i) Transition Account under Indo-US Agreement,1974.
  - (ii) Cooley Account under the Indo-US Agreement. 1974.
  - (iii) Rupee Account under the Indo-US Agreement.1974.
  - (iv) Dollar Denominated Account under the Indo-US Agreement.1974.
- (6) Each IDA Project will be shown as sub-head.
- (7) Each 113R1) Project will be shown as sub-head with detailed head there under as IBRD Loan No.
- (8) Each IFAD Project will be shown as sub-head as IFAD Credit No. .... etc.
- (9) Each Japanese Grants aided Project will be shown as sub-head as Trust Account No. .... (JPY) ..... etc.
- (10) Each ADB Project will be shown as a sub-head as "ADB Loan No. .... etc.

#### (4) Advances

##### **MAJOR/SUB-MAJOR HEADS**

**8550 Civil Advances**

##### **MINOR HEADS**

101	Forest Advances
102	Revenue Advances (1)
103	Other Departmental Advances(2)
104	Other Advances(3)

##### **Notes:**

- (1) Will be divided under two sub heads with details as follows

##### *Sub-Heads*

Advance for Survey  
Operations

##### *Detailed Heads*

Advances for boundary pillars.

Revenue Survey Advances.

Talukdari settlement advances.

Cost of survey marks.

Cost of boundary marks

recoverable from landholders.

Cost of boundary marks pending

completion of survey operation.

##### **Excise Advances**

##### **Abkary Advances**

- (2) Separate sub heads may be opened for each type of advance granted for departmental purposes. Separate sub heads may be opened for departmental advances granted by High Commission for India in London.
- (3) Includes advances for rest camps granted by Civil Officers for marching of troops and advances to the families for deceased Government servants under the provisions of Rule 262 (2) of GFRs 1963 or other similar provisions of State Financial Rules. This will also include transactions of the nature of Special Advances. For each such advance, a separate sub-head may be opened.

***(b) Suspense***

**MAJOR / SUB-MAJOR HEADS**

**8658 Suspense Accounts (1)**

**MINOR HEADS**

101	Pay and Accounts Office-Suspense (2)
102	Suspense Account (Civil) (3)
107	Cash settlement Suspense Account (4)
108	Public Sector Bank Suspense (5)
109	Reserve Bank Suspense-Headquarters (6)
110	Reserve Bank Suspense-Central Accounts Office (7)
111	Departmental adjusting account (8)
112	Tax Deducted at Source (TDS) Suspense (9)
113	Provident Fund Suspense
115	Suspense Account for purchases etc. abroad (10)
117	Transactions on behalf of the Reserve Bank (11)
119	Additional Wages Deposit Suspense Account (10)
120	Additional Dearness Allowance Deposit Suspense Account (old) (10)
121	Additional Dearness Allowance Deposit Suspense Account (new) (10)
123	A.I.S Officers' Group Insurance Scheme (12)
124	Payments on behalf of Central claims organisation-Pension and Provident Fund (10)
129	Material Purchase settlement suspense Account (13)
134	Cash Settlement between Accountant General, Jammu and Kashmir and other State Accountants General.
135	Cash Settlement between Accountant General, Sikkim and other State Accountants General.
136	Customs Receipts awaiting transfer to the Receipt Head

**Notes:**

- (1) This major head will be operated by Central Government Ministries/Departments (excepting Defence, Railways, Posts and Telecommunications), State Governments and Union Territories Governments/Administrations. The amounts placed under various suspense minor heads below this major head will be cleared by minus debit or minus credit as the case may be.
- (2) This head is intended for the initial record of inter-Governmental transactions arising in the books of a Central P.A.O. separated Accounts Officers of Union Territories, and by Accountants General where the other party involved is a P.A.O. Separate sub-heads "Transactions adjustable (Name of the Central PAO/State Accountant General / Railways /Defence/ Posts/Telecommunication Accounts Officer concerned) will be opened under this minor head for each Accounts Officer with whom transactions are to be settled. This minor head is not to be operated in cases where the transactions of Receipts and Payments that are eventually to be credited or debited under Consolidated Fund excepting the transfer of outstanding balances under HBAJMCA from one Ministry/Department to another. For such cases General Directions No. 2.3 and 3.1 may please be referred to. P.A.O. Supply would continue to operate this minor head as hithertofore.

- (3) Minor Head is subdivided into
- (a) Treasury Suspense
  - (b) Objection Book Suspense
  - (c) Outstation Pay Bills for March
  - (d) Unclassified Suspense
  - (e) Cheques cancelled but paid
  - (1) Other Miscellaneous items
  - (g) Account with Railways
  - (h) Account with Defence
  - (i) Account with Posts
  - (j) Account with Telecommunication
  - (k) Account with Accountant General
  - (1) H.B.A. Suspense
  - (m) Motor conveyance Advance Suspense
  - (n) N.D.F. Suspense
  - (o) Un-credited items under e-payments

Sub-head (a) is meant to be operated upon in the books of Accountant General to accommodate provisionally difference noticed between figures incorporated in Treasury Lists of Payments/Cash Accounts, and the corresponding schedules of payments/receipts accompanying thereto, which could not be rectified at the stage of incorporation of the figure of the list of Payments/Cash Account in the Detail Book. Cases where the schedules themselves are wanting along with the supporting vouchers etc. may also be adjusted under this sub-head. The amounts initially kept under this sub-head will be cleared and taken to the heads of accounts concerned when the differences are settled on receipts of necessary clarifications/wanting schedules etc. from the Treasury Officers.

Sub-head(b) will be operated upon by compilation sections of A.G.'s Offices when during the course of compilation of vouchers with reference to the Schedules of payments from treasuries, vouchers are found wanting and thereby a difference is credited between the Schedule of totals and total of the vouchers compiled. By operating on this head, response by minus debit should be made in the classified Abstracts to the full amount of the debit earlier given to the head 'Departmental Adjusting Account' (equal to the totals of Treasury Schedules). The amounts initially taken under this sub-head, will be cleared minus entries under this sub-head by per contra debit to the head of account concerned. Sub-head(c) is meant for initial recording of expenditure on account of payment of outstation pay allowances etc. for March by hank drafts issued in the month of March which is to be adjusted against the final head of account in the accounts for the month of April. Such initial debits will be cleared by affording minus debits.

Sub-head(d) will be operated upon by Accountants General to adjust provisionally items received through the Inward Settlement Account from other Accountants General / Pay and Accounts Officers for which full particulars/vouchers etc. are wanting.

Sub-head(e) will be operated in circumstances where the original cheque had been cancelled and fresh cheque in lieu thereof had been issued but later on the original cheque had been found to have been encashed. This sub-head will be cleared by recovery of the amount from the payee or otherwise written off.

Sub-head (g), (h), (i) and 6) are meant to be operated only in the State Section of the books of an Accountant General for affecting settlement of transactions with Railways, Defence, Posts and Telecommunication arising in his books. Detailed heads corresponding to each Accounts Officer or Railways / Defence / Posts / Telecommunications with whom transactions are required to be settled by each Accountant General may be opened under these sub-heads according to actual requirements. Sub-head (k) will be operated upon by the Accountant General of U.T. Governments/Administrations in the Central Section for initial accounting and subsequent settlement of transactions originating in their accounts which are finally adjustable in the accounts of another Accountant General.

The heads at (l) and (m) will be operated upon for adjustments of missing credits/debits of House Building Advance/Motor conveyance Advances relating to pre-departmentalization period on the basis of collateral evidence. These Heads will also be operated upon in the Accounts of State Governments for adjusting the missing credit/debit of H.B.A./M.C.A. of the State Government Employ fees adjusted on collateral evidence basis. The sub-head at (n) will be operated by all the Civil Accounts Officers including Accountants General in whose books the N.D.F. collections appear as deduction from the salary etc. bill of the Government servants. This head will be cleared by issue of cheque/demand draft in favour of the R.B.1.

The sub-head at (o) will be operated upon by PAOs to account for the un-credited items under E Payments, received from the accredited bank. This head shall be cleared by issuing cheques to the concerned parties or otherwise in consultation with DDO concerned

- (4) Central (Civil) From 1-4-93, this minor head will not be operated for fresh transactions by the Central Pay and Accounts Offices excepting Cabinet Secretariat. However, this head will be operated for clearing the old balances. State Government

This minor head will be used for settlement or transactions between public works divisions rendering accounts to the same Accountant General and will be operated in the State Books receiving compiled accounts from the Public Works Divisions. The intention is that this minor head will exclusively be operated upon initially as a transitory head by a Works Division which renders services/makes supplies to another Works Division (or accept some receipts/revenue on behalf of another Division pending issue of cheques or Bank Drafts by it to the Division clearance thereof by it on receipt of cheque or bank draft from the recipient Division or pending concerned). For the detailed procedure to be followed in this regard a reference is invited to Appendix 7 to C.P.W A. Code.

- (5) This minor head will be operated upon by Central Government's Pay and Accounts Offices which are banking with Public Sector Banks. Amounts of cheques issued by the concerned PAO and by cheque drawing D.D.Os in account with the PAO, paid by the accredited Public Sector Bank will be credited to this minor head by affording per contra minus credit to '8670- Cheques and Bills etc. Amount of receipts scrolls by the Public Sector Banks will be debited to this minor head by affording corresponding credit to the relevant receipt heads. On receipt of the monthly statement of transactions from the R.B.I. (C.A.S.) Nagpur credits and debits under this minor head will be cleared by the Principal Accounts Office by affording minus credits and minus debits to the extent of amounts adjusted on account of these transactions in the books of the R.B.I. This minor

head has been introduced with a view to keep apart total amount of the transactions which have occurred at Public Sector Banks but which are yet to be adjusted against the Central Government Account maintained by the R.B.I. (C.A.S.) Nagpur.

The progressive balances outstanding on credit and debit sides under the minor head Public Sector Banks Suspense in the books of the Principal Accounts Officer concerned will represent respectively the payments and receipts of the Ministry/Department handled by its accredited Public Sector Bank for which either settlement remains to be effected between the Public Sector Bank and the Reserve Bank of India or non-clearances therefrom by the Principal Accounts Offices due to non-receipts of monthly statement (s) of transactions from the RBI CAS, Nagpur before the close of the monthly accounts of relevant month. Causes for the said non-settlement will generally be (i) delay in receipt of memorandum transaction (s) by link bank from branch banks, (ii) delay or omission on the part of link banks in including the amount of branch bank memorandum in their daily advice to Reserve Bank of India, (iii) difference between amounts indicated in branch bank memo (which gets reflected in link bank advice) and the correct amounts of cheques paid / receipt challans scrolled and (iv) erroneous classification of transactions of a Ministry/Department against another Ministry/Department in its advice (s) by a branch or link bank of a Public Sector Bank which handles transactions of more than one Ministry/Department. Similarly, in the monthly Civil Accounts of the Government of India consolidated by the Controller General of Accounts, progressive figures of credit and debit balances outstanding under the head 'Public Sector Bank Suspense' will give a total picture thereof relating to all Civil Ministries/Departments put together.

- (6) This head will be operated by Accountants General in their State Section of accounts and by Accountants General of U.T. Governments / Administrations in their Central Section of account in connection with debits and credits appearing in bank scrolls on account of cash settlement of inward accounts received by him on account of inter-Government transactions from a separated Pay and Accounts Office or Accounts Officers of Defence, Railways, Post and Telecommunication pending adjusting of the accounts received from the other party. Separate sub-heads "Transactions adjustable by (Name of the Central PAO/Defence/Railways/Posts/ Telecommunication Accounts Officer) "shall be opened under this major head for each Accounts Officer with whom the transactions are to be settled. The amounts so adjusted will be cleared by minus debit or minus credit, as the case may be.
- (7) This minor head is credited by the Principal Accounts Office etc at the time of issuing advices to the Reserve Bank of India, Central Accounts Section, Nagpur to effect transfer from the balances of Central Government (Civil) to that of the State Government (except J&K and Sikkim Governments) in connection with payment of loans, Grants-in-aid, State Government share of Income-Tax, Union Excise duty etc. by debiting the concerned heads in their books. This Suspense head will be cleared by means of a minus credit by per contra credit to the head "8675 - Deposits with Reserve Bank - Central Civil" on receipt subsequently of the clearance memo from the Reserve Bank of India, Central Accounts Section, Nagpur. At the time of State Accountant General advises the Reserve Bank of India, Central Accounts Section, Nagpur with a copy to the Principal Accounts office of the Ministry/Department concerned. On receipt of the advice the Central Accounts Office of the Reserve Bank of India, Nagpur debits the balances of State Government and passes on the credit to the Central Government



under intimation to the Principal Accounts Office concerned On receipt of the copy of the advice from the Accountant General and/or the intimation from Central Accounts Office of the Reserve Bank of India, the Principal Accounts Office credits the appropriate loan/interest head by contra debit to 'Reserve Bank Suspense - Central Accounts Office'. On receipt of clearance memo from the Reserve Bank, the Principal Accounts Office links it with the copy of the advice from the A.G. and /or intimation from the Reserve Bank and clears the suspense head by "minus " debit by per contra debit to the head "8675 Deposits with the Reserve Bank - Central Civil" by means of a Transfer Entry. The State Accountant General debits this suspense head on receipt of copy of advice from the Principal Accounts Office of the Union Ministry/ Department in State Section of his books by per contra credit to the relevant minor heads under the appropriate major head. At the time of issue of an advice for repayment of loan and payment of interest thereon to the Reserve Bank of India, Central Accounts Section, Nagpur, the State Accountant General debits the relevant State head of Account by per contra credit to this suspense head. This suspense head will be cleared by means of minus credit on receipt of clearance memo from the Reserve Bank by credit to "8675 - Deposits with Reserve Bank . States - CAS Reserve Bank".

- (8) This head will be operated only by State Accountants General. This head is intended for the provisional adjustment of departmental receipts and payments which are entered by the treasury in separate Schedules. The amounts so adjusted are cleared by minus credit and minus debit afforded through the Departmental Classified Abstract in which the transactions are finally brought to account. This head is also used for the provisional adjustment of inter- departmental transfers.
- (9) This minor head is intended to accommodate receipts on account of income tax etc. deducted at source, while effecting payments of interest on State Government securities, of salary bills of State Government employees, of pension bills etc. by State Treasury officers/State Pay and Accounts Officers/ other Departmental Officers who render compiled accounts of State Government as well as from interest payments on State Government securities made at Public Debit offices of the R.B.I in the books of State Accountants General to enable them to settle transactions with Zonal Accounts Officers concerned of C.B.D T by means of Cheques/Bank Draft.
- (10) These heads have been retained for the purpose of clearing old balances.
- (11) Receipts and payments relating to Reserve Bank of India appearing in Government accounts should be credited or debited in the first instance to this minor head and under the appropriate sub-head from among those specified below:

### **Receipts**

- I. Renewals and encasement fees on UP. Notes.
- II. Commission for management of Public Debt.
- III. Brokerage commission etc. on new loans.
- IV. Postage and telegram charges and out of pocket expenses in connection with new loans
- V. Postage and telegram charges reimbursed to Public Debt office
- VI. Miscellaneous.
- VII. Balance due from the Reserve Bank
- VIII. Cost of note forms

## Payments

- IX Charge for remittance of treasure:
  - (a) Police escort charges.
  - (b) Cost of boxes cart and coolie hire etc.
  - (c) Pay and allowance of pardars.
  - (d) Railway and Steamer freights.
- X Dividend on Reserve Bank Shares
- XI Miscellaneous.
- XII Balance due to the Reserve Bank.

Transactions on account of Reserve Bank occurring at Treasuries or Sub-treasuries should be carried by the State Government in whose Jurisdiction the Treasury is situated, until they are cleared by the Accountant General / Pay and Accounts Officer (Department of Economic Affairs) with the Reserve Bank. Transactions brought to account under this head by adjustment in Accounts Offices should be classified as Central or State according as the Office of the origin is Central or State.

Explanation :- Charges for remittances of treasure for which the Reserve Bank of India is liable. include charges for keeping currency chests supplied with sufficient notes and coins. Charges for remittance of small coins between regular Small Coin Depots and treasuries and sub-treasuries where there are currency chests charges for remittance of uncurrent coins when sent separately.

- (12) Deductions/recoveries towards Central Government Employees Group Insurance Scheme made from A.I.S. Officers of a State cadre shall be classified under the subhead "Subscriptions" pending adjustment by State Accountant General against advance payments made by the State Governments to the Central Government. - The advance payments made by the State Governments to the Centre Government shall be classified under the sub-head payment to Central Government of the subscriptions in respect of A.I.S. Officers Group Insurance Scheme.

- (13) (a) Centre

This Minor Head will be operated for direct purchases of stores in cases where payment has not been made in the same month in which stores have been received. This Minor Head will be cleared when cheque is issued to the Supplier/Contractor. Unclaimed balances for more than three complete account years under this Minor Head shall be cleared by credit to Revenue.

However, in exceptional cases as referred to in Rule 140 of General Financial Rules, 2005, where indents have to be projected to DGS&D, the payment made to PAO (Supply) by the PAO of the Division will be classified as minus credit under a distinct sub-head "Payment for purchases through DGS&D" under this minor head in the books of the PAO. On receipt of stores, the Divisions will credit the value of stores under a distinct sub-head "Purchase pending payment/adjustment under this minor head per contra Debit to Suspense Stock". The PAO memo when received from the office of the PAO, the Divisions after verifying the correctness of the amount with reference to materials received will credit to the sub-head "Payment for purchases through DGS&D" below this minor head per contra minus credit to the sub-head "Purchases pending payment/adjustment" under which credit was originally given on receipt of the materials. The credits under the sub-head "Payment for purchases through DGS&D" appearing in Divisional Accounts on account of adjustment of PAO Memos will be paired off/netted with the minus credit under this sub-head given by the PAO of the Division.

(b) State

The cost of stores received either by purchase or through inter-divisional transfers, shall be accounted for initially under this suspense head in all cases where the payment had not been made in the same month of receipt of stores. This head shall be cleared by a contra entry (minus credit) on making payment to the supplier/Division supplying stores. Unclaimed balances for more than three complete account years under this minor head shall be cleared by credit to revenue.

*(c) Other Accounts*

**MAJOR/SUB-MAJOR HEADS**

**8670 Cheques and Bills**

**MINOR HEADS**

101	Pre-audit cheques (1)
102	Pay and Accounts Offices cheques
103	Departmental Cheques(2)
104	Treasury Cheques
105	I.R.L.A. Cheques

**Notes:**

- (1) This head is operated only by State Accountants General
- (2) Any Civil Department other than Public Works and Forest Departments authorised to draw money on cheques will operate this head.

**MAJOR / SUB-MAJOR HEADS**

**MINOR HEADS**

**8671 Departmental Balances (1)**

101 Civil

**Note:**

(1) These accounts receive debit for the cash balance held by departmental officers outside the generally available cash balances.

**MAJOR / SUB-MAJOR HEADS**  
**8672 Permanent Cash Imprest**

101 Civil

**MINOR HEADS**

**MAJOR / SUB-MAJOR BEADS****MINOR HEADS****8673 Cash Balance Investment  
Account**

101 Cash Balance Investment Account(1)

**Notes:**

- (1) This minor head is intended for the record of transactions connected with temporary investments of cash balance e.g. in short term loans or other Government securities. Long term investments in industrial or commercial concerns etc. should not be accommodated under this minor head, but routed through the Consolidated Fund. In the Central Accounts this head is debited with the amounts expended on the purchase of securities, and on the cancellation of the loans, the nominal value of the cancelled securities is debited to "Internal Debt" etc. by per contra credit to this head to the extent of the purchase price originally debited to it. The difference, if any will be added to or deducted from interest on cash balance investment under '0049-Interest Receipts'. Similarly, any profit or loss arising out of the transfer of securities held in the investment account is adjusted by addition to or deduction from the amount of the said interest, the sale proceeds being credited to this head to the extent of the purchase price. This minor head will include investment of surplus cash balances of High Commission for India in United Kingdom.

**MAJOR / SUB-MAJOR HEADS****MINOR HEADS**

**8674 Security Deposits made by Govt.**

101 Security Deposits made by Government (1)

**Note:**

(1) This head is sub-divided into

(a) *Security amounts deposited with Courts*

Security deposits made by Government departments to Higher/Appellate Courts to obtain 'Stay orders' on the decree awarded by Lower Courts (the amounts of such deposits being equivalent to or related to the decretal amounts), as a condition precedent to the grant of such stay orders on the lower court's decree, will be recorded under this sub head. Amounts deposited in Supreme Court of India as security for the costs of respondents in Appeals filed by Governments against the decision of High Courts, will also be recorded under this sub-head. Suitable detailed heads may be opened to indicate the nature of the case.

(b) *Security Deposits with (name of the organisation,)*

Security Deposits made by Government with the statutory organisations like State Electricity Boards, Corporations, Municipalities etc. in terms of Ministry of Finance O.M.NO. F.8(l) -E.II.A/68 dated 24th July, 1968 (O.1. Decision No. 3 below para 258 to GFRs) shall be recorded under this sub head by indicating the name of the organisation.



**MAJOR I SUB-MAJOR HEADS****MINOR HEADS****8675 Deposits with Reserve Bank**

101	Central- Civil (1) (2)
106	States (1) (3)
107	Central-Civil-Market Stabilization Scheme (4)
108	Union Territory Governments

**Notes:**

- (1) This is merely an adjusting head and records the net results of cash transactions and adjustment with the Reserve Bank pending eventual transfer to the sector "N. Cash Balance-Deposits with the Reserve Bank".
- (2) This will be divided into four sub-heads
  - (a) Reserve Bank (IIQ)
  - (b) Reserve Bank (PSB)
  - (c) Reserve Bank (CAO)
  - (d) Reserve Bank (Other nominated banks – private sector banks)They are intended to be used for recording (i) the effect of transactions taking place at branches of RBI functioning as primary Bank of the Ministry/Department concerned (ii) the effect of transactions taking place at branches of Public Sector Banks functioning as primary Bank of the Ministry/Department concerned and (iii) the effect of advices issued by PAOs/Accountants General etc. in favour of Principal Accounts Offices on RBI, CAS at Nagpur for monetary settlement through its books respectively.
- (3) This will be divided into the following sub heads:
  - (a) Treasury (b) Head Quarters and (c) CAS-Reserve Bank.
- (4) The minor head will be divided into the following sub-heads:
  - (a) Dated Securities
  - (b) Treasury Bills

*(d) Accounts with Governments of Foreign Countries*

**MAJOR / SUB-MAJOR HEADS**

**8679 Accounts with Governments  
of Other Countries**

**MINOR HEADS**

The name of a each foreign country with which account is to be settled be a minor head. Separate sub-heads may be opened for transactions originating in Civil, P&T, Defence, Railway accounts under each minor head(1).

**Notes:**

(1) A separate detailed head may be opened for each State Accounts Office in Pakistan where required, in the accounts of State-Governments, which operate, on this head.

*(e) Miscellaneous*

**MAJOR / SUB-MAJOR HEADS**

**8680 Miscellaneous Govt.**

**Accounts**

**MINOR HEADS**

- |     |   |
|-----|---|
| 101 | Ledger Balance Adjustment Account (1)                   |
| 102 | Writes-off from Heads of Account closing to balance (2) |

**Notes:**

General-This Major Head should not be operated upon for effecting adjustments towards "Proforma" corrections to balances of earlier years (in cases where provisions of Rule 38 of Government Accounting Rules, 1990 are not attracted). wherein either (a) a head closing to balance vis-a-vis a head closing to Government account are involved or (b) correction of a balance under a head (closing to balance), purely as an accounting device is involved as such adjustments cannot be effected by means of a Transfer Entry in the monthly accounts. Relevant contra entry of such "proforma" correction (s) shall directly enter the "Government Account" forming part of the "Summary of Balances " prepared as at the end of each financial year and exhibited in the appropriate Statement of the Finance Accounts of the Union/State Government. Contra effect of 'proforma 'adoption of balances should also be similarly included in the "Government Account" referred to in the previous sentence.

- (1) Balances which are to be transferred/ stepped down from certain heads in the Public Account of the Government e.g. from the minor heads "Sinking Funds and "Other appropriations" below the Major Head "8222 Sinking Funds' (vide notes 1 and 2 below that Major Head) or from any other debt, deposit, remittances head governed by similar orders are required to be adjusted against this minor head.
- (2) This minor head is intended to accommodate "Writes off from heads of account closing to balance sanctioned by the authorities competent to do so in connection with book-keeping errors or other cases in terms of Rule 38 of Government Accounting Rules, 1990.

**MAJOR / SUB-MAJOR HEADS**  
**8782 Cash Remittances and adjustments between officers rendering accounts to the same Accounts Officer**

**MINOR HEADS**

101	Cash Remittances between Treasuries and Currency Chests
102	Public Works Remittances (1)
103	Forest Remittances (1)
104	Remittances of Govt. Commercial Undertakings
105	Reserve Bank of India Remittances (2)
108	Other Departmental Remittances (3)
110	Miscellaneous Remittances
118	Pay and Accounts office Remittances
120	Mines Labour Welfare Remittances (5)

**Notes:**

- (1) This minor head is intended to record transactions of Public Works Officers with Treasury and Other Officers of the Civil Departments (including Forest Department) within the same circle of Account. Transactions originating in other circles of account are also passed on to Public Works Officers by the Accountants General through this head. This head is sub-divided into the following sub-heads (viz.):
- I. Remittances into Treasuries/Banks
  - II. Public Works/Forest Cheques
  - III. Other Remittances
    - (a) Items adjustable by Civil
    - (b) Items adjustable by Public Works

In the case of Public Works Divisions of the Central Government, the Sub Head III (b) will not be operated for fresh transactions from 1.4.1993. However, this subhead will be operated for clearing the old outstanding PAO Memos prior to 1.4.1993.

In case of State PWD, this Sub-Head would be operated as hitherto-fore.

- IV. Transfers between Public Works/Forest Officers. If a Public Works Officer deals with Treasuries in account with another Accounts Officer, the transactions on account of remittances into such treasuries and cheques drawn on such Treasuries are classified as pertaining to the sub-head "III-- Other Remittances (b) Items adjustable by Public Works". The sub-head "Transfers between Public Works Officers" is intended for settlement of transactions between Public Works Divisional Officers rendering Account to the same Accountant General, who have not switched over to the system of 'Cash Settlement' (See Note 2 below major head '8658 Suspense Accounts').

- (2) This head records transactions connected with the drawing and encashment of Telegraphic transfers and drafts on Reserve Bank Account, including transactions relating to Security deposit interest drafts and Dividend Warrant payment orders issued by the Bank.
- (3) This head is intended for remittances between Treasuries and the Departmental Accounts. A separate sub-head may be opened for each department which has been allowed to have this facility such as 'Opium', 'Excise', 'Customs' etc.
- (5) Separate sub-heads may be opened for "Coal" and other Mines labour Welfare Remittances.

**(b) *Inter Government Adjustment Accounts***

**MAJOR / SUB-MAJOR HEADS**

**8786 Adjusting Account between  
Central and State  
Governments**

**MINOR HEADS**

A Separate Minor Head for each State Government and  
Central Government and a Minor head 'Other Items' may  
be opened

**MAJOR / *SUB-MAJORHEADS***

**8793 Inter State Suspense  
Account**

**MINOR HEADS**

A Separate Minor lead for transactions between any  
two States

## N. Cash Balance

### ***MAJOR/SUB-MAJOR BEADS***

**8999 Cash Balance (1)**

### **MINOR HEADS**

101	Cash in treasuries
102	Deposits with Reserve Bank
103	Deposits in other Banks
104	Remittances in Transit-Local
105	Remittances in Transit-Foreign

### **Note:**

(1) See Note (1) and (2) below major head '8675-Deposits with Reserve Bank'.



**APPENDIX - XII**  
(see paragraph 13.2.2)

**PROFORMA-I**

Number Statement  
G.O.Ms.No.\_\_\_\_\_, Finance (SMPC) Department, Dated:

Estimating Officer :  
Major Head :  
Sub-Major Head :  
Minor Head :  
Sub-Head :

(Rupees thousands)

Sl. No.	Item	Total No. of Employees	Pay	DA	Sumptuary Allowance	Interim Relief	HRA	Medical Reimbursement	Encashment of Earned Leave	Leave Travel Concession	C.C.A.	Total
			010/011	010/013	010/014	010/015	010/016	010/017	010/018	010/019	010/012	
1	2	3	4	5	6	7	8	9	10	11	12	13

1. Establishment - Permanent  
(Non-Gazetted  
Category wise)
2. Establishment - Temporary  
(Non-Gazetted  
Category wise)

Total \_\_\_\_\_

3. Officers - Permanent  
(Gazetted Category)
4. Officers - Temporary  
(Gazetted Category)

Total \_\_\_\_\_

Grand Total \_\_\_\_\_

**PROFORMA-II**

Number Statement

G.O.Ms.No.\_\_\_\_\_, Finance (SMPC) Department, Dated:

GRANTS-IN-AID TOWARDS SALARIES - 310/311

Estimating Officer :

Major Head :

Sub-Major Head :

Minor Head :

Sub-Head :

(Rupees thousands)

Sl. No.	Item	Total No. of Employees	Pay	DA	Sumptury Allowance	Interim Relief	HRA	Medical Reimbursement	Encashment of Earned Leave	Leave Travel Concession	C.C.A.	Total
1	2	3	4	5	6	7	8	9	10	11	12	13

(Category wise)

Total

Grand Total

**PROFORMA-III**

Number Statement

G.O.Ms.No.\_\_\_\_\_, Finance (SMPC) Department, Dated:

WORK CHARGED ESTABLISHMENT IN ENGINEERING DEPARTMENT 270/274

Estimating Officer :  
 Major Head :  
 Sub-Major Head :  
 Minor Head :  
 Sub-Head :

(Rupees thousands)

Sl. No.	Item	Total No. of Employees	Pay	DA	Sumptuary Allowance	Interim Relief	HRA	Medical Reimbursement	Encashment of Earned Leave	Leave Travel Concession	C.C.A.	Total
1	2	3	4	5	6	7	8	9	10	11	12	13

(Category wise)

-----  
 Total  
 -----  
 Grand Total  
 -----

**PROFORMA-IV**

Number Statement

G.O.Ms.No.\_\_\_\_\_, Finance (SMPC) Department, Dated:

**CONTACT APPOINTMENTS**

Estimating Officer :  
 Major Head :  
 Sub-Major Head :  
 Minor Head :  
 Sub-Head :

(Rupees thousands)

Sl. No.	Name of the Department	No. of Posts Outsource through Agencies/ Contact basis - Category wise	G.O.No. & Date for appointment on outsourcing Contract	Remuneration per month for each category	Total Amount required for the year for each category for full year (No. of persons x monthly remuneration x 12 months)	Remarks
1	2	3	4	5	6	7