

CHAPTER-II
SUMMARY OF APPROPRIATION ACCOUNTS
2000-2001

Total number of Grants/Appropriations: 71

Total provision and actual expenditure

(Rupees in crore)

Provision	Amount	Expenditure	Amount
Original	10727.86		12762.40
Supplementary	587.61		
Total gross provision	11315.47	Total gross expenditure	12762.40
Recoveries in reduction of expenditure	73.47	Deduct actual recoveries in reduction of expenditure	12.31
Total net provision	11242.00	Total net expenditure	12750.09

Voted and charged provision and expenditure

(Rupees in crore)

	Provision		Expenditure	
	Voted	Charged	Voted	Charged
Revenue	7067.73	1030.32	5541.91	886.99
Capital	2199.20	1018.22	776.70	5556.80
Total gross	9266.93	2048.54	6318.61	6443.79
Deduct recoveries in reduction of expenditure	73.47	-	12.31	-
Total net	9193.46	2048.54	6306.30	6443.79

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

Introduction

2.1 In accordance with the provisions of Article 204 of the Constitution of India, soon after the grants under Article 203 are made by the State Legislature, an Appropriation Bill is introduced to provide for appropriation out of the Consolidated Fund of the State. The Appropriation Bill passed by the State Legislature contains the authority to appropriate certain sums from the Consolidated Fund of the state for the specified services. Subsequently, supplementary or additional grants can also be sanctioned by subsequent Appropriation Acts in terms of Article 205 of the Constitution of India.

2.2 The Appropriation Act includes the expenditure which has been voted by the Legislature on various grants in terms of Articles 204 and 205 of the Constitution of India and also the expenditure, which is required to be charged on the Consolidated Fund of the state. The Appropriation Accounts are prepared every year indicating the details of amounts on various specified services actually spent by government vis-à-vis those authorized by the Appropriation Act.

2.3 The objective of appropriation audit is to ascertain whether the expenditure actually incurred under various grants is within the authorization given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

Appropriation Accounts at a glance

2.4 The summarized position of actual expenditure during 2000-2001 against 71 grants/appropriations was as follows:

(Rupees in crore)

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving (-) Excess (+)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Voted	I. Revenue	6541.68	526.05	7067.73	5541.91	(-) 1525.82
	II. Capital	1823.88	52.29	1876.17	561.97	(-) 1314.20
	III. Loans and advances	315.67	7.36	323.03	214.73	(-) 108.30
Total Voted		8681.23	585.70	9266.93	6318.61	(-) 2948.32
Charged	IV Revenue	1028.94	1.38	1030.32	886.99	(-) 143.33
	V Capital	0.15	0.53	0.68	0.04	(-) 0.64
	VI Public Debt	1015.35	-	1015.35	5554.57	(+) 4539.22
	VII Loans and Advances	2.19	-	2.19	2.19	-
Total Charged		2046.63	1.91	2048.54	6443.79	(+) 4395.25
Appropriation to Contingency Fund (if any)						
Grand Total		10727.86	587.61	11315.47	12762.40	(+) 1446.93

*The total expenditure stands inflated at least to the following extent:

(i) At the end of March 2001 DCC Bills were not received from the departments in support of Rs.22.74 crore* drawn on A.C. Bills during the year. In the absence of DCC Bills the genuineness of the expenditure could not be vouchsafed.

(ii) Rupees 0.40 crore were withdrawn from Consolidated Fund by showing an expenditure against the budget provision by contra credit to public account under 8443- civil deposit-108 P.W. Deposit vide footnote at page 218 of Finance Accounts.

Excess over provision relating to previous years requiring regularisation

2.5 As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. However, the excess expenditure amounting to Rs.16287.02 crore for the earlier years was yet to be regularised.

* In respect of 5 test-checked departments.

The year-wise position is given below:

(Rupees in crore)

Year	Number of cases		Amount of excess		Total
	Voted Grants	Charged Appropriation	Voted	Charged Appropriation	
1983-84	23	--	16.77	--	16.77
1984-85	29	4	50.83	85.79	136.62
1985-86	22	2	51.18	--*	51.18
1986-87	28	--	59.69	--	59.69
1987-88	26	2	100.86	5.05	105.91
1988-89	14	2	75.06	0.76	75.82
1989-90	27	1	64.00	0.26	64.26
1990-91	18	1	71.78	864.68	936.46
1991-92	30	--	187.07	--	187.07
1992-93	17	2	114.20	108.63	222.83
1993-94	35	1	191.49	67.66	259.15
1994-95	18	4	164.99	874.74	1039.73
1995-96	10	2	39.73	1765.83	1805.56
1996-97	4	2	21.08	1803.15	1824.23
1997-98	--	1	--	2618.20	2618.20
1998-99	-	1	--	3165.45	3165.45
1999-2000	1	1	37.99	3680.10	3718.09
Total	302	26	1246.72	15040.30	16287.02

Results of Appropriation Audit

Saving/excess over provision

2.6 The overall savings of Rs.3326.10 crore in 67 cases of grants (Rs.3182.13 crore) and 11 cases of appropriations (Rs.143.97 crore) was offset by excess of Rs.4773.03 crore in one appropriation (Rs.4539.22 crore) and six grants (Rs.233.81 crore) resulting in net excess expenditure of Rs.1446.93 crore. The excess of Rs. 4773.03 crore required regularisation under Article 205 of the Constitution. The details are given below:

(Rupees in crore)

Year	No/Name of Grants/ Appropriations	Total Grant/ Appropriation	Actual expenditure	Amount of Excess
2000-2001	1- State Legislature	4.13	5.27	1.14
2000-2001	10- Other fiscal Services	0.99	1.00	0.01
2000-2001	23- Pension and other Retirement Benefit	459.26	672.29	213.03
2000-2001	45- Census, Surveys and Statistics	11.87	13.19	1.32
2000-2001	49- Irrigation	61.98	80.27	18.29
2000-2001	61- Mines and Minerals	4.82	4.84	0.02
2000-2001	Public Debt and servicing of Debt	1015.35	5554.57	4539.22
	Total	1558.40	6331.43	4773.03

* Rupees 858.00 only

Supplementary provision

2.7 Supplementary provision made during the year constituted 5.48 per cent of the original grant/appropriation as against 12.65 per cent in the preceding year.

Unnecessary/inadequate supplementary provision

2.8 Supplementary provision of Rs.482.89 crore (Revenue: Rs.462.42 crore; Capital: Rs.20.47 crore) in 49 cases involving 43 grants as detailed in Appendix-VI proved unnecessary. In one case of appropriation (Public Debt and Servicing of Debt–Capital charged) where original budget provision was Rs.1015.35 crore, the actual expenditure (Rs.5554.57 crore) exceeded by Rs.4539.22 crore. Against which, no supplementary provision was obtained.

Unutilised provision

2.9 In 55 grants and one appropriation the expenditure fell short by more than Rs.1 crore which was more than 10 per cent of the total provision as indicated in Appendix-VII.

Persistent savings

2.10 In 31 grants there were persistent savings in excess of Rs.10 lakh in each case, representing 20 per cent or more of the total provision during the last three years. Details are given in Appendix-VIII.

Anticipated savings not surrendered

2.11 According to the rules framed by Government the spending departments are required to surrender the grants/appropriation, or portion thereof, to the Finance Department as and when the savings are anticipated. However at the close of the year 2000-2001 there were grants/appropriations in which large savings had not been surrendered by the departments. The amount involved was Rs.1643.70 crore. Details are given in Appendix-IX.

Trend of recoveries and credits

2.12 Under the system of gross budgeting followed by Government, the Demands for Grants presented to the Legislature are for gross expenditure and exclude all credits and recoveries, which are adjusted in the accounts as reduction of expenditure, the anticipated recoveries and credits are being shown separately in the Budget estimates. During the year 2000-2001 such recoveries were anticipated at Rs.73.47 crore against which actual recoveries were Rs.12.31 crore. The shortfall in recoveries was mainly under (i) 17-Administrative and Functional Buildings (Rs.5.67 crore), (ii) 24-Aid Materials (Rs.14.04 crore), (iii) 25-Miscellaneous General Services (Rs.40.00 crore), (iv) 56-Rural Development-Panchayat (Rs.2.92 crore) and (v) 63-Flood Control (Rs.0.58 crore), which is set off by excess recoveries of Rs.2.00 crore under roads and bridges, Rs.0.19 crore under water supply and sanitation and Rs.0.08 crore under Irrigation.