

14.1. Some of the technically new schemes (Non-Plan) are continuing for the last more than five years. It is suggested that provisions in respect of these schemes may be got made in the ordinary budget, provided these are not likely to be discontinued, after the posts if any sanctioned for these schemes are made permanent in accordance with the policy of the State Government and with the approval of the Department of Finance.

The proposal for transferring these schemes from technically new Schemes (Non-Plan) to Ordinary Budget should be routed through the Administrative Department concerned, alongwith the information in the proforma at an annexure 'E' so as to reach the Department of Finance by the 1st August, 1985.

#### NEW SCHEMES

15. The proposals for New Schemes of Non-Plan Expenditure if any, should be forwarded to the Department of Finance through the Administrative Department concerned, by the 3rd October, 1985 and got cleared by the 16th October, 1985. It is requested that these dates should be strictly adhered to so that the general programme for the preparation of the Budget is not upset.

16. It has generally been observed in the past that the Explanatory Memoranda of the Schedule of New Expenditure are not prepared or are not properly scrutinised by the Department in most of the cases with the result that these have to be recast in the Department of Finance. In some cases the Memoranda are sketchy and do not properly convey or explain the scheme proposed to be included in the Budget. It may kindly be ensured that the material for the Budget documents is properly prepared and edited after giving full facts and justification for the demand in each case.

#### SUPPLEMENTARY ESTIMATES

17. Paragraphs 14.6 to 14.24 of the Budget Manual deal with the Supplementary Appropriation/Estimates. Having regard to the guidelines contained in these paragraphs Supplementary Estimates 1985-86 may be prepared as proforma at Annexure 'F'.

The Supplementary Demand should be based on the following items :—

- (a) Items for which advances have been drawn from the Punjab Contingency Fund; and
- (b) Any other item of expenditure which is required to be provided in the Supplementary Estimates.

The provision allowed in respect of any new scheme adopted during the course of the year or additional funds provided over and above the budgetted provision should be included in the Supplementary Estimates.

#### STATEMENT OF EXCESSES AND SURRENDERS

18. The Statement of Excesses and Surrenders is intended solely for the purpose of fixing the Revised Estimates of Expenditure of the year after examination of the actual expenditure to date and for indicating what the surrenders or excesses



are likely to be. It is not intended to be a means of making provision for additional funds the need for which may arise subsequent to the framing of the Budget Estimates. If additional funds are required, prior approval of the Department of Finance should be obtained through the Administrative Department,—vide paragraph 13.1 of the Punjab Budget Manual.

19. If after the despatch of the Statement of Excesses and Surrenders, the Department considers that further savings would occur, an intimation to the effect should be sent to the Department of Finance by the 15th January, 1986. It has been observed that some of the Departments continue to report savings to the Department of Finance long after this date right up to the closing day of the financial year. It is to clarify that the Department of Finance will not accept savings reported after the 15th January, 1986 and it is the Department concerned which will be answerable for consequential lapse of funds.

20. The statement of Excesses and Surrenders due with the Department of Finance on the 1st November, 1985 should be supplied positively by that day.

## SEPARATE DOCUMENTS FOR STATE PLAN SCHEMES AND CENTRALLY

### SPONSORED SCHEMES

21. At present, the details of State Plan Schemes as well as Centrally Sponsored Schemes are contained in two documents (i) Detailed estimates of expenditure on Plan Schemes; and (ii) Explanatory Memorandum of Plan Schemes. The Accountant General, Punjab has desired that separate documents be prepared for Schemes, for indicating (i) Detailed Estimates of expenditure on State Plan Schemes; and (ii) Detailed estimates of expenditure on Centrally Sponsored Schemes. Similar, separate documents in regard to the Explanatory Memorandum pertaining to these schemes will have to be prepared. This will enable the Accountant General, Punjab to look the expenditure on State Plan Schemes and Centrally Sponsored Schemes separately. This will also help the State Government to keep a watch on the progress of expenditure on such schemes and for claiming Central Assistance on the basis of the actual expenditure incurred. It is, therefore, requested that material in the prescribed proforma B.M. 2 and B.M. 3 should be supplied for State Plan Schemes and Centrally Sponsored Schemes separately so as to enable separate documents being prepared by the Department of Finance. These instructions should be strictly adhered to while sending the proposals for the Budget Estimates 1986-87. Schedule of dates as indicated for 'Plan proposals' will be applicable in respect of these proposals.

21.1. State's share in respect of Centrally Sponsored Schemes as allocated by the Department of Planning should be shown separately in proforma at Annexure G-1, G-2 and G-3. In proforma at Annexure G-1 State's share and Central share may be given for each of the Major Head operated by the Department alongwith the total for the Demand. In proforma at Annexure G-2 expenditure/provision under Centrally



Sponsored Schemes may be given Minor Headwise. In proforma Annexure G-3 provision should be shown Schemewise alongwith details as per standard objects of expenditure.

#### PLAN BUDGET AND ANNUAL PLAN LINK DOCUMENT

22. It has been decided to prepare a link document of Plan Budget and Annual Plan in order to ensure that allocations made in the Annual Plan are fully reflected in the Budget. It is, therefore, requested that information as per proforma at Annexure H-1 and H-2 in respect of State Plan and at Annexure H-3 and H-4 in respect of the Centrally Sponsored Schemes may be supplied by the 15th December, 1985.

22.1 The Schemes under each Plan head/sub Head should be compiled in the same serial order as given in the Annual Plan and it should be ensured that totals under the Plan Sub-Heads given in the Annual Plan tally with the totals of provisions under various schemes in the Plan Budget relating to respective Plan Sub Heads.

23. As intimated in paragraph 2 of letter No. 3408-B&C-73/25723, dated the 23rd October, 1973, the figures included in the Budget Estimates as well as the Statement of Excesses and Surrenders should be rounded to the nearest thousand. It has been observed that some Departments do not follow the procedure laid down with the result that changes have to be carried out in the Department of Finance resulting in avoidable additional work. It is to request that the figures included in the Schedule of New Expenditure, the Budget Estimates and the Statement of Excesses and Surrenders should be rounded off to the nearest thousand.

24. It has been observed in the past that after presentation of the State Budget cases are received from time to time from the Administrative Departments to allow expenditure for the Centrally Sponsored Schemes. It then becomes necessary to seek Funds through Supplementary Demands, for Grants. In order to avoid delay in the implementation of the Centrally Sponsored schemes, the Departments should furnish the estimates of expenditure for the Centrally Sponsored Schemes alongwith the Budget Estimates 1986-87 on the basis of likely approval of the schemes by the Central Government. The expenditure on the Centrally Sponsored Schemes and the funds to be received from the Central Government for the implementation of the schemes should be provided in the Budget Estimates 1986-87. However, the expenditure on such schemes should be incurred only on the receipt of the funds from Central Government and with the prior approval of the Department of Finance.

25. The preceding paragraphs contain in brief the instructions regarding preparation of the various documents already available in the Punjab Budget Manual and set of instructions issued from time to time. In order to ensure that the various documents are made available to the Department of Finance in time, it is requested that the Administrative Department should issue similar instructions to their Heads of Department and other subordinate offices, so as to be in position to obtain the required information in time for onward transmission to the Department of Finance.

26. Information regarding posts and scales of pay in the proforma at Annexure-I in respect of permanent and temporary posts may be forwarded to the Department of Finance by the 31st December, 1985.

27. The Information required as per these instructions be supplied to the Department of Finance in duplicate.

(No. 1/18/85—B & C/9805 Dated 16th July, 1985)

(In Duplicate)

## ANNEXURE "A"

(Referred to in paragraph 5)

DEMAND NO.

MAJOR HEAD

Statement showing broad details of important items of Expenditure relating to Grant-in-aid and Contributions

(Figures in thousands)

Minor Heads/ Sub-heads	Organisation receiving Assistance	Board outlines of Assistance	Budget Estimates, 1985-86	Revised Estimates, 1985-86	Budget Estimates, 1986-87
1	2	3	4	5	6
			Rs.	Rs.	Rs.

(To be sent to Finance Department by 10th October to 25th October.)



## ANNEXURE "B"

(Referred to in Paragraph 6)

FORM B.M. 10

(Nominal Roll Referred in paragraphs 3.6 (a) and 5.6 (Budget Manual)

Statement of details of provision proposed for Pay of Officers/Establishment for the year 1986-87

Department:

Office:

1		2		3		
Name and Designation	Reference to page of estimate form	Sanctioned pay of the post			Actual pay of the Government Employee due on the 1st April next year	
		(a) Minimum	(b) Maximum	(c)		
4		5		6		7
Amount of provision for the year at the rate of columns 3(c)	Increment falling the due within the year			Total Provision for the year i.e. total of columns 4 & 5 (c)	Remarks	
	(a) Date of Increment	(b) Rate of Increment	(c) Amount of Increment for the year			

Note:—(1) 'Voted' and 'Charged' items should be separately shown.

(2) In the case of temporary establishment, authority under which they are entertained should be quoted.

(3) Number and amount of provision should agree with the entries in the Estimate Form.

Date: \_\_\_\_\_ of 198

(To be sent to the Department of Finance by the 10th October to 25th October.)



(In Duplicate)

**ANNEXURE 'C'**  
(Referred to paragraph 7)

FORM B. M. 3

Abstract statement referred to in paragraphs 3.6 and 5.9 (Budget Manual).

Major Head :

Details	Amount
	Rs.
(a) Salaries	.. ..
Wages	.. ..
Medical Reimbursement	.. ..
(b) Travel Expenses	.. ..
office Expenses	.. ..
Rent, Rates and Taxes	.. ..
Advertising Sales and Publicity Expenses	.. ..
Payment for Professional and special services	.. ..
Motor Vehicles	.. ..
Maintenance	.. ..
Liveries	.. ..
Material and Supplies	.. ..
Deictal	.. ..

Note—(a) Give details as to number and rates of pay.

(To be sent to the Department of Finance by the 10th October to the 25th October.)



## ANNEXURE "D"

(Reference to in paragraph 12)

Schedule of date for the submission of returns to the Department of Finance in connection with the Preparation of Budget for the year 1986-87.

## I. ORDINARY BUDGET

- (a) Receipt Estimates :—
- (i) Other than Land Revenue, Irrigation and Civil Works by .. 3rd October, 1985
  - (ii) Land Revenue by .. 23rd October, 1985
  - (iii) Irrigation by .. 7th November, 1985
  - (iv) Civil Works by .. 21st November, 1985
  - (v) Final Receipt Estimates in respect of Stamps and Registration Fees, State Excise, Sales Tax, Taxes on Passengers and Goods, Taxes and Duties on Electricity, Entertainment Tax, Interest and Irrigation Receipt by .. 23rd January, 1986
- (b) Expenditure Estimates—Ordinary Budget by .. From 10th October 1985 to 25th October, 1985

(Be sent direct to the Department of Finance by the Heads of Departments)

- (c) Continuance of posts .. 31st December, 1985
- (d) Posts and scales of pay .. 31st December, 1985

## II—SCHEDULE OF NEW EXPENDITURE

## A—Non-Plan

- (a) Technically New Schemes—
- (i) Proposals to be sent to the Department of Finance .. 1st August, 1985
  - (ii) Proposals to be returned by the Department of Finance after Examination for conveying Administrative Approval/Financial Sanction by .. 30th August, 1985
  - (iii) Statement of Major Works for inclusion in the list of Major and Minor Works to be submitted by the Administrative Department to the Chief Engineer, P.W.D./Public Health by .. 16th August, 1985



- (iv) Schedule and Memoranda to be submitted by the Head of Department to the Administrative Departments by .. 10th September, 1985
- (v) Schedule and Memoranda to be submitted by the Administrative Department to the Department of Finance by .. 3rd October, 1985
- (b) Proposal regarding Conversion of Technically New Schemes to
- ORDINARY BUDGET .. 1st August, 1985
- B—New Schemes—**
- (i) Proposals to be sent to the Department of Finance .. 3rd October, 1985
- (ii) Proposals to be returned by the Department of Finance after examination for conveying Administrative Approval/Financial sanction by .. 16th October, 1985
- (iii) Schedule and Memoranda to be submitted by the Head of Department to the Administrative Department by .. 31st October, 1985
- (iv) Schedule and Memoranda to be submitted by the Administrative Department to the Department of Finance by .. 7th November, 1985
- C—Plan—**
- (a) Technically New Schemes—
- (i) Proposals to be submitted to the Department of Finance by .. 5th August, 1985
- (ii) Proposals to be forwarded by the Department of Finance after examination for conveying Administrative Approval/Financial Sanction by .. 23rd August 1985
- (b) New Schemes—
- (i) Proposals to be submitted to the Department of Finance .. 3rd October, 1985
- (ii) Proposals to be returned by the Department of Finance to the Administrative Department after examination for conveying Approval/Financial Sanction by .. 15th October, 1985
- (c) Schedules and Memoranda in respect of Plan Schemes both Technically New and new Schemes to be supplied by the Head of Department on the basis of discussion with



the state Planning Department, to the Department of Finance (in Duplicate) a copy being supplied simultaneously to the Planning Department by

.. 7th November, 1985

Discussion with Planning Commission to be arranged by the Planning Department by

.. 1st Week of December, 1985

Revised Schedule and Memoranda where necessary on the basis of the discussion with the Planning Commission to be supplied by the Department of Finance within one week from the discussion with the Planning Commission

.. 15th December, 1985

- (d) Plan Budget and Annual Plan Link document  
(Be Sent to Department of Finance through Administrative Department)

.. 15th December, 1985

### III—STATEMENT OF EXCESSES AND SURRENDERS

Statement of Excesses and surrenders to be supplied by the Head of Department to the Department of Finance

.. 1st November, 1985

(To be sent the Department of Finance direct by Head of Department)

### IV—LIST OF NON-PLAN NEW SCHEMES NOT ACCEPTED BY THE DEPARTMENT OF FINANCE

Six copies of the list of Non-Plan New Schemes not accepted by the Department of Finance to be supplied to the Department of Finance in order to priority by

.. 1st December, 1985

(To be sent to the Department of Finance through Administrative Department)

*Note.*—Alongwith the Schedules and Memoranda both the Non-Plan and Plan Schemes Statement showing the Revenue (accuring from the schemes) may also be supplied in duplicate in the following forms:

Serial No.	Major Head	Name of the Scheme	Income from the Scheme	Public Contribution	Central Assistance		
					Grant	Loan	Total
1	2	3	4	5	6	7	8

To be Sent to F.D. through A. D.

## ANNEXURE "E"

(In Duplicate)

(Referred to in Paragraph 14.1)

## Proposal for the transfer of Technically New Schemes to the Ordinary Budget

Sr. No.	Name of the Scheme/Project	No. and date of approval of the Department of Finance	Date of Commencement of Implementation	Original Objectives	Extent of achievement of Objective	Need/Justification for continuance on an indefinite basis
1	2	3	4	5	6	7

(To be sent to the Department of Finance by 1st August, 1985).



## ANNEXURE 'F'

(Referred to in Paragraph 17)

DEMAND NO.

(Nomenclature of Demand)

1. Original Grant—	Rs.
Voted	..
Charged	..
Total	..

2. Amount of Supplementary Grant 19	(First Instalment)
Voted	..
Charged	..
Total	..

3. Amount of Supplementary Grant 19	(Second Instalment)
Voted	..
Charged	..
Total	..

Sector \_\_\_\_\_

Sub-Sector—

Major Head

(Figures in thousands)

## Amount of Demand sub-divided into

Minor head, sub-head, standard object of expenditure and details of demand	<i>Non-recurring</i>		<i>Recurring</i>	
	Non-Plan	Plan	Non-Plan	Plan
	Rs.	Rs.	Rs.	Rs.

1. Total amount asked for in the Supplementary Estimates, 198—198 (First Second Instalment).
2. Amount, if any, reimbursable from the Government of India.
3. Amount, if any, being Surrendered in any other Head/Grant etc. to reduce the net financial burden in respect of (i) above.
4. Net financial burden of the Supplementary Demand.
5. Information to be supplied in respect of court cases—
  - (i) When was the notice under Section 80 C. P. C. received ?
  - (ii) Whether opinion of the L. R. was obtained on the receipt of the notice ?
  - (iii) If so, advice tendered by him, if reference was not made to L. R. the reasons thereof ?
  - (iv) When was the decree awarded by the Court ?
  - (v) Date on which payment was made ?
  - (vi) Why was the Budget provision not made ?



## ANNEXURE

(In Du

## PRO FORMA G-1

(Referred to in Paragraph 21.1)

## DEMAND NO. 16

## EDUCATION

## Centrally Sponsored Schemes (Plan)

(Rupees in th

Major Heads	Accounts 1984-85	Budget Estimates, 1985-86	Revised Estimates, 1985-86	Bud Esti 198
1	2	3	4	5
<b>277—Education</b>				
State Share	..			
Central Share	..			
<b>Total</b>	<b>..</b>			
<b>278—Art Culture</b>				
State Share	..			
Central Share	..			
<b>Total</b>	<b>..</b>			
<b>Grand Total for the Demand</b>				
State Share	..			
Central Share	..			
<b>Total</b>	<b>..</b>			

(To be sent to the Department of Finance by 15th December, 1985 through Administration Department).

ANNEXURE  
PRO FORMA G-2

(In Duplicate)

(Referred to in Paragraph 21.1)

SECTOR-B—SOCIAL AND COMMUNITY SERVICES

Major Head : 277—Education

CENTRALLY SPONSORED SCHEMES (PLAN)

Head of Department : Director of Public Instructions, Punjab

(Rupees in thousands)

Minor Head	Accounts, 1984-85	Budget Estimates, 1985-86	Revised Estimates, 1985-86	Budget Estimates, 1986-87
1	2	3	4	5
<b>A—Primary Education</b>				
(b) Inspection	..			
(c) Government Primary Schools	..			
(f) Teachers Training	..			
(g) Other Expenditure	..			
<b>Total A—Primary Education</b>	..			
<b>B—Secondary Education</b>				
(a) Direction and Administration	..			
(b) Inspection	..			
(c) Government Secondary Schools	..			
(f) Scholarships	..			
(g) Teachers Training	..			
(h) Text Books	..			
(i) Other Expenditure	..			
<b>Total-B—Secondary Education</b>	..			



**C—Special Education**

- (a) Adult Education ..
- (b) Promotion of Modern Indian Languages  
and Literature ...

Total C—Special Education ..

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**E—University and other Higher Education**

- (a) Assistance to Universities for non-  
Technical Education ..
- (b) Government Colleges ..
- (c) Assistance to Non-Government Colleges ..
- (f) Teachers Development Programme ..
- (g) Scholarships ..

Total E—Universities and other Higher  
Education ..

---

**G—Sports and Youth Welfare**

- (a) Direction and Administration ..
- (b) Physical Education ..
- (c) Youth Welfare Schemes ..
- (d) Sports and Games ..

Total G—Sports and Youth Welfare ..

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**H—General**

- (a) Direction and Administration ..

Total H—General ..

---

Grand Total 277—Education ..

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State's share out of total above.

(To be sent to the Department of Finance by 15th December, 1985 through Administration Department).





## ANNEXURE

(In Duplicate)

## PRO FORMA H-1

(Referred to in paragraph 22)

## PLAN EXPENDITURE—STATE PLAN 1986-87

(Including State's Share of Centrally Sponsored Schemes)

(Rupees in thousand)

## PLAN OUTLAY

Serial No.	Sub-Heads of Development	Revenue	Capital	Loan	Total	Demand No.	Major Head	Provision
1	2	3	4	5	6	7	8	9

*Note.*—Information under Col. 3 to 6 should be as approved by the Department of Planning and Provision under col. 9 should be as booked in the Budget Documents.

(To be sent to the Department of Finance by 15th December, 1985 through A.D).

## ANNEXURE H-2

(In Duplicate)

(Referred to in paragraph 22)

DETAILS OF PLAN EXPENDITURE—STATE PLAN (INCLUDING STATE'S SHARE OF  
CENTRALLY SPONSORED SCHEMES) AS BOOKED IN BUDGET  
DOCUMENTS—1986-87

(Rupees in thousands)

Serial No.	Code of the Scheme	Details of the Schemes	Demand No.	Major Head	Amount of Expenditure
1	2	3	4	5	6

To be sent to the Department of Finance by 15th December, 1985 through A.D.).



## ANNEXURE H-3

(Referred to in paragraph 22)

(In Duplicate)

## PLAN EXPENDITURE—CENTRALLY SPONSORED SCHEMES 1986-87

(Excluding State's Share)

## PLAN OUTLAY

(Rupees in Thousands)

Serial No.	Sub-Heads of Development	Revenue	Capital	Loan	Total	Demand	Major No.	Provis Head
1	2	3	4	5	6	7	8	9

Note 1-Information under Col. 3 to 6 should be as approved by the Department of Planning provision under Col. 9 should be as booked in the Budget Documents.

(To be sent to the Department of Finance by 15th December, 1985 through A.D.)

## ANNEXURE H-4

In Duplicate)

(Referred to in paragraph 22)

## DETAILS OF PLAN EXPENDITURE—CENTRALLY SPONSORED SCHEMES

Excluding State's Share as Booked in Budget Documents 1986-87)

(Rupees in thousand.)

---

Serial No.	Code of the scheme	Details of the scheme	Demand No.	Major head	Amount of Expenditure
1	2	3	4	5	6

---

(To be sent to the Department of Finance by 15th December, 1985 through A.D.)



## ANNEXURE I

(In duplicate)

## POSTS AND SCALES OF PAY

(Referred to in paragraph 26)

## MAJOR HEAD

Number of posts

Serial No.	Designation of Posts	Scale of pay	1985-86			1986-87		
			Permanents	Temporary	Total	Permanent	Temporary	Total
1	2	3	4	5	6	7	8	9
Grand Total								

(To be sent to the Department of Finance by 31st December, 1985)

1.30 Submission of returns to the Department of finance in connection with the preparation of the Budget Estimates for the year 1988-89.

A reference is invited to the subject cited above and to communicate to you the guidelines for the preparation of the budget Estimates, 1988-89 in the succeeding paragraphs of this letter.

#### (a) GENERAL BUDGETARY CONTROL

2. It has been noticed that in the preparation of the budget Estimates, the Departments do not always subject the requirements of non plan expenditure in case of schemes/projects to detailed examination. Some times token provisions are included in the Budget for the schemes, which are yet to be formulated or considered in detail, to provide for an entry for the schemes in the budget pending detailed thinking and formulation thereof. This practice leads to large provision of funds to be asked for during the course of the year.

3. This shortcoming in the process of preparing the Budget results in inadequate provisions being made at the time of preparing the annual Budget and year Supplementary demands for large amounts become necessary. The Administrative Departments have come to consider the annual Budget as the first projection of the requirements of funds to be Supplementary later Demands. Such proposals are made shortly after the Budget is passed by the the State Assembly. This practice makes it difficult to make a reasonably correct assessment of the expenditure requirements for the year keeping in view the available resources. It also militates against the Budget being treated as an instrument of control and regulation of expenditure.

4. The annual Budget is prepared and allocation made taking in to account the available resources and the extent to which the Government is prepared to make good the deficit. The Supplementary Demands go to add to the deficit and may be considered as an indicator of the Budget not having been framed carefully. Therefore, once the Budget is framed, the Departments should regard the provision in the Budget, whether Plan or non-Plan, as the maximum amount of resources available to them and manage their affairs within those limits. In cases where owing to the constraint of resources reduced allocations are made in the Budget, the Administrative Departments should critically examine the programmes, contents and activities and re-order priorities to manage within the allocations rather than come up with proposals for Supplementary Demands. Hard decisions in this regard need to be taken rather than adopting the soft option of going in for the Supplementary Demands.

5. Another area of concern has been Large time and cost over-runs in the implementation of the schemes/projects. The preparation of estimates of the schemes/projects does not always get the attention it should. Preliminary details like investigation of soil conditions, precise know-how needs, technical and design requirements, provisions of all the necessary facilities including plant and machinery to achieve the targetted capacities