

15 -ാം കേരള നിയമസഭ

10 -ാം സമ്മേളനം

നക്ഷത്ര ചിഹ്നം ഇല്ലാത്ത ചോദ്യം നം. 492

30-01-2024 - ൽ മറുപടി

സാമ്പത്തിക പ്രതിസന്ധി തരണം ചെയ്യാൻ ബജറ്റിലെ നിയന്ത്രണങ്ങൾ

ചോദ്യം		ഉത്തരം	
ശ്രീ. അനൂപ് ജേക്കബ്		ശ്രീ കെ എൻ ബാലഗോപാൽ (ധനകാര്യ വകുപ്പ് മന്ത്രി)	
(എ)	സർക്കാരിന്റെ സാമ്പത്തിക പ്രതിസന്ധിയുടെ അടിസ്ഥാനത്തിൽ പുതിയ ബജറ്റ് തയ്യാറാക്കുന്നതിൽ വകുപ്പുകൾക്ക് പ്രത്യേക നിയന്ത്രണം ഏർപ്പെടുത്തിയിട്ടുണ്ടോ; വിശദമാക്കാമോ;	(എ)	<p>സംസ്ഥാനത്തിന്റെ നിയന്ത്രണങ്ങൾക്ക് അതീതമായ ചിലഘടകങ്ങളാൽ സംസ്ഥാനം സാമ്പത്തിക പ്രതിസന്ധി നേരിടുന്നുവെന്നത് ഒരു വസ്തുതയാണ്. ഈഘട്ടത്തിലും സംസ്ഥാനത്തിന്റെ തനത് നികുതി/നികുതിയേതര വരുമാനം വർദ്ധിപ്പിച്ചുകൊണ്ട് വികസന ക്ഷേമ പ്രവർത്തനങ്ങൾക്ക് മുൻതൂക്കം നൽകാനാണ് സർക്കാർ പരിശ്രമം നടത്തിക്കൊണ്ടിരിക്കുന്നത്. അടുത്ത സാമ്പത്തിക വർഷത്തെ ബജറ്റ് തയ്യാറാക്കുന്നതിന് വേണ്ട നിർദ്ദേശങ്ങൾ പ്രതിപാദിച്ചുകൊണ്ട് ധനകാര്യ വകുപ്പ് 77/2023/ധന നം. പ്രകാരം 31.07.2023 ൽ ഒരു പരിപത്രം പുറപ്പെടുവിച്ചിട്ടുണ്ട്. ഈ പരിപത്രം എല്ലാ വകുപ്പ് മേധാവികൾക്കും ഇതിനോടകം അയച്ചുകൊടുത്തിട്ടുണ്ട്. പ്രസ്തുത പരിപത്രത്തിന്റെ പകർപ്പ് അനുബന്ധമായി ചേർക്കുന്നു. ഉൽപ്പാദന ക്ഷമമല്ലാത്തതും അപ്രധാനവുമായ പദ്ധതികൾ മാറ്റിവയ്ക്കുന്നതിനു മുൻ കാലങ്ങളിലേതുപോലെ ഇപ്പോഴും വകുപ്പുകൾക്ക് നിർദ്ദേശം കൊടുത്തിട്ടുണ്ട്. പ്രോഗ്രാമുകൾ/സ്കീമുകൾ/പ്രവൃത്തികൾ എന്നിവ നടപ്പിലാക്കുന്നതിനുള്ള പ്രക്രിയയെ യുക്തിസഹമാക്കുന്നതിലേയ്ക്കായി വകുപ്പ് മേധാവികളും കൺട്രോളിംഗ് ഓഫീസർമാരും വിമർശനാത്മകമായി നിലവിലുള്ള പ്രോഗ്രാമുകൾ/സ്കീമുകൾ/വർക്കുകൾ എന്നിവയെ വിലയിരുത്തുവാനും അവയെ സംബന്ധിച്ച ഒരു അവലോകന റിപ്പോർട്ട് ബജറ്റ് എസ്റ്റിമേറ്റുകൾക്കൊപ്പം അയക്കുവാനും നിർദ്ദേശം നൽകിയിട്ടുണ്ട്. ഇത് ചില പ്രവർത്തനങ്ങളെ മറ്റ് വകുപ്പുകളുടെ പ്രവർത്തനങ്ങളുമായി ലയിപ്പിക്കുക അല്ലെങ്കിൽ അവയിലേക്ക് മാറ്റുകയോ ചെയ്യുവാൻ സഹായകരമാകും.</p> <p>ഒരു സ്കീം പ്രവർത്തനം മാറ്റിവയ്ക്കുകയോ ഉപേക്ഷിക്കുകയോ ചെയ്യുന്ന സാഹചര്യത്തിൽ, അവിടെ ജോലി ചെയ്തുവരുന്ന പിരിച്ചുവിടാൻ</p>

			<p>കഴിയാത്ത അധിക ജീവനക്കാരുടെങ്കിൽ അത്തരം ജീവനക്കാരുടെ ഒരു പൂർണ്ണമായ ലിസ്റ്റ് തയ്യാറാക്കുന്നതിനു വകുപ്പ് മേലധികാരികൾക്ക് നിർദ്ദേശം നൽകിയിട്ടുണ്ട്. പ്രസ്തുത ജീവനക്കാരെ ഭാവിയിൽ ഉണ്ടാകുന്ന ഒഴിവുകളിലേയ്ക്ക് പരിഗണിക്കുവാൻ ഇത് സഹായകരമാകും. ഇപ്രകാരമുള്ള നിർദ്ദേശങ്ങളാണ് അടുത്ത സാമ്പത്തിക വർഷത്തേക്കുള്ള ബജറ്റ് തയ്യാറാക്കുന്നതുമായി ബന്ധപ്പെട്ട് പുറപ്പെടുവിച്ചിട്ടുള്ള പരിപത്രത്തിൽ ഉൾപ്പെടുത്തിയിട്ടുള്ളത്.</p>
(ബി)	<p>ഉണ്ടെങ്കിൽ ഏതെല്ലാം പദ്ധതികൾ വെട്ടിച്ചുരുക്കാനാണ് വകുപ്പുകൾക്ക് നിർദ്ദേശം നൽകിയിരിക്കുന്നത്, വ്യക്തമാക്കാമോ;</p>	(ബി)	<p>പിരിവ് എ യിലെ ഉത്തരം ബാധകം</p>
(സി)	<p>അടുത്ത സാമ്പത്തിക വർഷം ചെലവുകൾ ചുരുക്കുന്നതിനായി എന്തെല്ലാം കർശന നിയന്ത്രണങ്ങളാണ് ഏർപ്പെടുത്താൻ ഉദ്ദേശിക്കുന്നത് എന്ന് വ്യക്തമാക്കാമോ?</p>	(സി)	<p>പിരിവ് എ യിലെ ഉത്തരം ബാധകം</p>

സെക്ഷൻ ഓഫീസർ

Pranayam

GOVERNMENT OF KERALA
Finance (Budget Wing-A) Department

CIRCULAR

No.77/2023/Fin.

Dated, Thiruvananthapuram, 31th July, 2023

Sub: Budget Estimates 2024-2025 - Preparation of - Instructions - Issued.

The Annual Budget of the State Government for the financial year 2024-2025 will be presented to the Legislature during the last quarter of the current financial year. To achieve this objective, the process of formulation of Budget Estimates for 2024-2025 will have to be completed sufficiently early. In this connection, attention of all the Heads of Departments and other Estimating Officers is invited to paragraph 31 of the Kerala Budget Manual and they are requested to take immediate steps for the formulation of the Budget Estimates for 2024-2025. The following dates are fixed for the receipt of the Budget Estimates for 2024-2025 in the Finance Department:

Non-Plan Expenditure	: Not later than the 5 th September, 2023
Plan Expenditure	: Not later than the 10 th September, 2023
Revenue and Other Receipts	: Not later than the 15 th September, 2023

The proposal for the Budget Estimates 2024-2025 has to be furnished through the web based application, namely 'Budget Monitoring System (BMS)' (www.budgetdata.kerala.gov.in) as done in the previous years. The Controlling Officers shall furnish proposals for the Revised Estimates for 2023-2024 and Budget Estimates for 2024-2025 under Non-Plan heads (Salary/Non-Salary etc.), Receipt heads, Debt heads, work appendix heads, estimates of Grant-in-aid institutions and Local Self Government Institutions and estimates under Public Account using the relevant modules in the Tasks menu of the BMS. The Controlling Officers can access 'BMS' with the username and password already provided to them by the Finance Department. It has to be ensured that the process of online submission of budget proposals is completed as per the time schedule fixed above. Data entry in BMS and uploading of proposals will not be allowed beyond the time limit prescribed above. Detailed procedure regarding data entry in the BMS for online submission of budget proposals will be available in the Notice Board section of the home page of BMS. The estimates as generated in the 'BMS application' should be sent to the Finance Department and the Administrative Department simultaneously. The Administrative Department should record their comments and recommendations on the estimates and

forward it to the Finance Department electronically within 10 days of receipt of the estimates from the controlling officers.

Detailed notes on the points to be kept in mind while formulating the Revised Estimates for 2023-2024 and Budget Estimates for 2024-2025 are given below:

Revised Estimates for 2023-2024

2. The Revised Estimates for **2023-2024** should be prepared as realistically as possible with reference to the following facts, instead of repeating the previous year's budget figures in a routine way.

- (i) the expenditure already incurred during the financial year;
- (ii) the expenditure likely to be incurred during the remaining months of the financial year;
- (iii) the additional funds proposed to be obtained as Supplementary Grants;
- (iv) the re-appropriation or resumption of funds already made or proposed to be made;
- (v) the new schemes that are sanctioned during the course of the financial year;
- (vi) schemes/provisions already sanctioned through the Alteration Memorandum;
- (vii) the new heads of account opened during the year either for booking expenditure on new schemes or for accommodating any adjustments and the new heads of account opened while distributing existing lump sum provisions; and
- (viii) any other relevant factors that will materially affect or have a bearing on the expenditure during the financial year.

Each of these factors should be spelt out in sufficient details by uploading/enclosing copies of the relevant orders. In short, the revised estimates should represent the anticipated expenditure of the year, with reference to all relevant post-budget developments, and should closely correspond to the actual expenditure. As the closing balance of the year is worked out with reference to the revised estimates, any significant variation between revised estimates and actual expenditure would upset the Ways and Means forecasts. **On account of financial constraints, the Revised Estimates in the aggregate should not normally exceed the Budget Estimates.** In the case of lump sum provisions included in the budget for the current year, the revised estimates for the year and the budget estimates for the coming year should be furnished in detailed head-wise.

Estimates for 2024-2025

3. Estimates in respect of revenue and other dues to the Government should be prepared taking into account the need to accelerate collections. The extent of arrears at the end of 2023-2024 should be indicated year-wise and brief account given on the steps taken or proposed to be taken to collect the arrears. The reasons for accumulation of arrears should also be furnished in the remarks column. Similar details should be furnished while forwarding the estimates with regard to recovery of loans and advances. Separate statements on arrears of tax and non-tax revenue and arrears of loans and advances in the proforma shown in Annexure I and II should also be furnished along with the Estimates. **These estimates have to be submitted physically as there is no provision for online entry in BMS for these items.** Brief notes explaining reasons for significant variations, if any, in respect of estimates of Revenue Receipts should also be furnished in the remarks column. All Heads of Departments and Estimating Officers should therefore personally ensure that estimates are prepared with utmost care taking into account all aspects that are normally available at the time of estimation so as to avoid instances of huge variations between estimates and actuals.

4. **The budget estimates of expenditure should be prepared as accurately as possible so that the amounts proposed for each function, programme or scheme do not turn out to be either excessive or inadequate later on.** The attempt should be to assess the precise requirements with reference to all available data. The revised estimates proposed for the year should form the basis for preparing budget estimates for the coming year, making due allowance for any special factors. Thus, if the current year estimates provide for any non-recurring items of expenditure, a corresponding reduction should be made in the Budget Estimates for the coming year. The variations between the Revised Estimates for 2023-2024 and the Budget Estimates for 2024-2025 should be clearly and precisely explained in the remarks column. Otherwise any proposed increase will not be considered. ***Public Accounts Committee (2014-16) in its 90th Report has recommended that excess expenditure /savings of the previous years should be taken into account while formulating the Budget Estimate for the succeeding years. All heads of Departments and Controlling officers shall look into the instances of persistent savings/excess while furnishing Budget Estimates for the year 2024-2025 in order to make Budget Estimate as realistic as possible.***

5. Certain schemes may involve expenditure under more than one head of account. While proposing provision for such schemes under any one of the head of account, *the full details of the provisions proposed under the other heads should also be indicated* in the remarks column, so that a complete picture of the financial requirements would be available. The explanation of the scheme should also be comprehensive covering all the components of the proposed expenditure.

Need for Economy

6. The serious financial constraints being faced by the State Government make it imperative for the Government to prepare the Budget 2024-2025 with extreme austerity. As a general rule, the Non-Plan Revenue Budget excluding salaries of each unit should be retained at the current year's level. Retention of the Revenue Budget at the current year's Revised Estimate level will, therefore require introduction of economy measures in all other spheres of activity. It might necessitate the dropping of uneconomical schemes and perhaps deferment of certain measures including maintenance expenditure, which can be postponed. The success of the exercise depends to a large extent on the personal involvement of the Head of Department, who should go through each and every unit of appropriation and decide upon where the downsizing should be made. Budget preparation should not become a mechanical incremental exercise. In the event of a scheme or activity being deferred or dropped, there will be surplus staff that, however, cannot be retrenched. The officer concerned should prepare a complete list of such staff declared as surplus and keep such a list ready for future use, so that they can be absorbed in arising vacancies.

7. *The Heads of Departments and the Controlling Officers should critically review the programmes/schemes/works and justify their continuance and send such a review report along with their Budget Estimates without fail.* The Heads of Departments/Estimating Officers should note that it is the primary responsibility of the Officers concerned to rationalise the process of implementation of programmes/schemes/works and to bring economy measures; wherever possible. In this exercise, some schemes may have to be wound up and some others merged with or transferred to the activities of other Departments. This should give an opportunity to critically review the activities of each department.

Recovery of Expenditure

8. For certain schemes, the expenditure is recoverable from other Governments or bodies. Full details of the percentage of recovery, the arrears relating to previous years pending recovery etc., should be included in the proposals. Such recoveries will be treated as receipts in the case of those coming under Revenue Account and reduction in expenditure in the case of those under Capital Account.

New Schemes

9. For all new schemes for which provisions are proposed in the Budget Estimates for the first time, necessary details on which the requirement of funds is based, and copy of the relevant Government Orders sanctioning the scheme should be furnished electronically. As far as possible, lump provision should not be proposed. "Part II schemes" under Non Plan will not be entertained on any account along with budget proposals. In this connection attention is also invited to Para 24 of Kerala Budget Manual by which *provision should be proposed for sanctioned schemes only and not for new schemes awaiting Government sanction.*

Salaries

10. The provision will include pay and allowances in all forms except travel expenses. The forecast of estimates on salary requirements should be accurate. *Re-appropriation from salary head will not be allowed in the normal course.* The provision should be worked out with reference to the actual pay drawn by the various incumbents. To verify the calculations a statement showing the sanctioned strength, the actual strength in position, their scales of pay and actual pay should be furnished. **While preparing the estimates of salaries, data as available in the 'Service Payroll Administrative Repository of Kerala' (SPARK) should also be taken into due consideration.** The variations between the strength of staff included in the budget for 2023-2024 and that proposed in the budget for 2024-2025, should be explained in the remarks column by attaching copies of the relevant sanction orders, if any. A report on variation in staff strength should be furnished electronically in the PDF format available in the task menu of BMS application. All Controlling officers shall ensure that details of estimates on salaries such as Pay, DA, HRA, Medical Reimbursement and Other allowances including overtime allowance are generated electronically in PDF format in the BMS as Annexure III, III(i), III(ii) III(iii), III(iv) & III(v) while furnishing online proposals to Finance Department. The statement showing the details of posts created /abolished shall be furnished in Annexure IV. Brief explanation for large variations with reference to the actual expenditure of the past three years and Revised Estimates of the current year should be given in remarks column or using the facility to attach PDF files in the relevant module of BMS. Estimates of Conveyance Allowance to Physically Challenged Employees, PCA/PTA admissible to certain categories of employees, other allowances like HTA, Risk Allowance, Compensatory Allowance, Special Allowance, etc. and estimates of Uniform Allowance, Adhoc Bonus/ Special Festival Allowance payable to employees will form part of Estimates of 'Other Allowances' under 'Salaries'.

11. Provisions should not normally be proposed for posts, which are kept in abeyance. Provision for existing temporary establishments, whose continuance in the ensuing year is anticipated should however, be made. In the case of posts declared as surplus, provisions need be proposed only up to such time when the incumbents in such posts get absorbed in arising vacancies or get deployed elsewhere.

Wages

12. Government in G.O(Rt)No. 3771/2016/Fin dated:22.04.2016 issued orders for opening new object heads under detailed head '02-wages, in order to have separate classification of expenditure of pay, DA, other allowance, consolidated pay and daily wages in r/o part – time contingent/ daily waged/casual employees. All controlling officers shall ensure that details of estimates on wages such as 1-pay, 2- DA, 3-other allowance, 4-consolidated pay, and 5- Daily wages entered separately in BMS software and are generated electronically in the PDF format as annexure V while furnishing online proposals to the Finance Department.

13. *Separate statements /details should be furnished in respect of those employees, who are given the scales of pay/salaries equivalent to the UGC, ICAR, CSIR, AICTE, ICMR or any other similar schemes. The copies of the Government Orders by which such employees have come over to such scales should also be furnished.*

Works

14. Provision for "Works" is mostly included under Plan. In respect of "Continuing Works" the estimates may be forwarded before Plan allocations are finalised so that the details can be verified sufficiently early. The estimates should also include the details of sanction by competent authority. The estimated cost of the work and the progressive anticipated expenditure up to the end of 2023-2024 should be furnished in the remarks column. The Volume I of Appendix II (Works Appendix) contains the details of works for which administrative sanction has been accorded and Volume II contains 'New Works' having no administrative sanction. The works for which Administrative Sanction was obtained during 2023-2024 shall be included under Volume-I of Appendix II (Works Appendix) of 2024-2025. The Chief Engineers/Administrative Departments should not forward proposals for any new works along with the budget proposals, unless Government specially clears them. No provision need be proposed for those works, which have been transferred to the Local Self Governments. **Government have introduced an online system for furnishing the proposals to be included in work Appendix Volume I. Hence all Chief Engineers/Administrative Departments concerned shall furnish the proposal through 'Work Appendix Heads' module under 'Task' menu of 'Budget Monitoring System' Application.**

15. There have been instances where proposals for change of the description and name of works are made later in the year. This evidently shows lack of proper scrutiny by the estimating officers while submitting proposals. The works should be properly and correctly worded while sending the budget proposals. The details of works included in 'Works Appendix' need be forwarded only in Malayalam.

16. The works proposed by the estimating officers under Plan should be linked to the Plan scheme concerned in the Plan Budget. This linking may be done duly furnishing the name of Work/Works coming under a particular Plan scheme indicating also the code number of the scheme. **Heads of Departments may note that the works, which are not linked to the connected Plan Scheme, will not be included in the "Works Appendix".**

Travel Expenses, Office Expenses, Rent, Rates and Taxes etc.

17. The estimates proposed against each detailed head should be accompanied by supporting statements. **The estimates under Travel Expenses shall be furnished electronically in the proforma shown in Annexure VI through BMS showing separately the provisions required under (1) Tour T.A, (2) Transfer TA and (3) Leave Travel**

Concession. While preparing estimates under Travel Expenses, the following guidelines prescribed in the Ninth Report of the Kerala Administrative Reforms Committee shall be adhered to:

Head of Department should give a statement indicating the arrears of Travel Allowance in his Department and the requirement for the coming year. Both these figures should be split into following categories.

- (a) For tours related to defending government cases in various courts of law.
- (b) For tours which, if not undertaken, will directly result in financial loss to Government.
- (c) For tours of inspection as per standing orders laying down such inspections.
- (d) For journeys for training purposes.
- (e) For other tours.

Administrative Departments concerned are required to make realistic assessment of estimates under Travel Expenses based on the information as detailed above.

The provision proposed under 'Office Expenses' indicating the requirement of funds under (1) Water Charges (2) Electricity charges, (3) Telephone Charges and (4) Other items shall be furnished electronically through BMS in proforma shown in Annexure VII-i, VII-ii, VII-iii & VII-iv respectively. Provision for non-recurring items (furniture, equipment etc.) of expenditure should not be repeated merely on the basis of average expenditure for the previous years; but should be restricted to the actual requirement. Relevant details of telephone connections as required in Annexure VIII should also be furnished as supporting attachment to Annexure VII-iii. Statements showing the requirements and the approximate cost should be furnished. A break-up of recurring and non-recurring expenditure should also be given in respect of each item. *The specific economy restrictions shall be kept in view while working out the requirements. Details of buildings taken on rent and the rate of rent fixed by Government for each building should be furnished separately.*

Motor Vehicles

18. The estimates for meeting the expenditure on fuel, lubricants etc. should be proposed under the detailed head 'P.O.L'. The provision proposed should indicate actual requirements. The estimates for fuel charges etc. should be prepared after taking into account the restrictions imposed by the Government through various economy orders. The estimates proposed under 'Motor Vehicles' should indicate separately the amount required under (i) purchase of new vehicles and (ii) repairs and maintenance. Copies of orders sanctioning purchase of vehicles should invariably be attached in support of proposals relating to estimates under 'purchase of vehicles'.

19. The statement showing details of vehicles of each Department/Office shall be furnished electronically through BMS as shown in Annexure-IX-i, and Annexure-IX-ii for estimation of BE 2024-2025 under the detailed head 21-2 Repairs and Maintenance' and '45 POL'. Proposal for P.O.L in respect of machines other than vehicles shall be furnished separately as P.O.L-Non vehicle in Annexure-IX-iii. Estimates in respect of requirements (for instance 21-1 Purchase of Vehicle) other than those mentioned above have to be furnished electronically using the 'Other Estimates' module of BMS.

Other Charges

20. The expenditure towards Water charges and Electricity charges for functional purposes (Medical Colleges and Hospitals, Colleges, Technical Institutions etc.) should be debited under the object heads viz., (1) Water Charges (2) Electricity Charges and (3) Other items below the detailed head '34 Other Charges'.

Information Technology Related Expenditure

21. The proposals relating to Budget Estimates in respect of computer-related expenditure including training, acquisition of hardware/software as well as development and maintenance of software should invariably be classified under the detailed head '99-Information Technology' below the relevant sub head.

Grant-in-aid by State Government

22. The estimates for 'Grant-in-aid' by the State Government released to various Institutions should be furnished electronically under the detailed heads "31-Grant-in-Aid-General -Salary" "35-Grants for the creation of Capital Assets" and "36-Grant-in-Aid-General -Non Salary", depending on the purpose for which each grant is made.

Interest on Loans

23. The payment of interest charges on loans availed of by various Government Departments is an inevitable item of expenditure. The Heads of Departments/Administrative Departments should ensure that sufficient provisions for payment of interest on loans availed of by them from Financial Institutions are duly proposed while sending budget proposals.

Decretal Claims

24. A special review of all claims that have gone to Courts or are likely to be taken to the Courts should be conducted for assessing the likely requirements. It is also desirable to provide for unforeseen expenditure arising from Court decrees. As per G.O. (P) No.32/2019/Fin dated 18/03/2019 Government have issued revised guidelines for the payment of Court decrees relating to land acquisition cases, which have no scope for appeal.

According to this guideline charged appropriations have to make under the relevant functional capital plan head of the department concerned for the payment of decretal claims. All heads of departments shall therefore furnish proposals for plan Budget Estimates 2024-2025 under relevant functional capital plan head.

Inter-Departmental Adjustments

25. The Estimating Officers shall ensure that adequate provision is proposed for carrying out inter-departmental adjustments and for effecting adjustments between different heads of account. Proposals for Supplementary Demands for Grants for such purposes will not normally be entertained.

At present the proposals in respect of Plan schemes and other items mentioned below are not captured in the web based application of 'Budget Monitoring System' and hence details thereof should be furnished in physical formats.

Plan Schemes

26. The outlay fixed for each scheme in the Annual Plan programme for 2024-2025 (The Third year's Programme of Fourteenth Five Year Plan 2022-2027) may be taken as the basis for proposing provision in the Budget for Plan schemes. For new schemes or expansion of existing schemes, separate statements containing sufficient details in support of the provision should be furnished. While making provision for a Plan scheme under a particular Head of Development, it should be ensured that the funds to be provided for execution of works, payment of loans/share participation etc., are well accommodated within the Annual Plan outlay fixed for the schemes. Formulation of estimates of Plan schemes shall be prepared with reference to the detailed guidelines to be issued by the State Planning Board regarding classification of expenditure for the Fourteenth Five Year Plan (2022-2027).

27. A consolidated statement showing the estimates proposed for Plan Schemes should be furnished in the form given in Annexure X. The physical and financial targets in respect of each scheme, stage of implementation and other relevant details should also be furnished. A copy of Annexure X and the statement regarding the physical and financial targets should be sent to the Planning and Economic Affairs Department as well.

28. While proposing provision for Centrally Sponsored Schemes, the instructions issued from the Planning and Economic Affairs Department should be taken in to account. Information regarding allocation approved by Government of India in 2022-23 and 2023-2024 for each scheme shall be furnished. If it is a new scheme pending approval of the Government of India, details of the scheme forwarded to the Government of India may be furnished. Due care should be taken to ensure that only those schemes of Government of India which are currently operational are proposed to be included in the Budget for 2024-2025.

29. Government of India have decided to restructure Centrally Sponsored Plan Schemes by subsuming similar Schemes/ Scheme Components from 2014-15 onwards and also to route

Central assistance through the Consolidated Fund of the State instead of transferring directly to the implementing departments/ agencies. The Estimating Officers shall ensure that the above restructuring of Centrally Sponsored Schemes is taken into account while furnishing plan proposals for Revised Estimates 2023-2024 and Budget Estimates 2024-2025.

Foreign Exchange Budget

30. In order to initiate annual exercise on formulation of the Foreign Exchange Budget for the year 2024-2025 by Government of India, the Departments concerned may furnish to this Department the estimates of Foreign Exchange Commitments and outgoes (Payments) in respect of such Department or Departmental Undertakings/Public Sector Undertakings under their control for the current year (Revised Estimate) and for the next year (Budget Estimate) with specific supporting details.

Other Details

31. With a view to analyse the extent of Central Assistance due to the State, the Officers concerned should give a list separately of all Externally Aided Projects, and Centrally Sponsored Schemes in the proforma given in Annexure XI to this Circular.

32. A list showing the total amount of subsidies/grants released during 2021-2022 and proposed to be released in 2023-2024 and 2024-2025 should also be furnished.

Land Acquisition Charges

33. As per Article 38 of Kerala Account Code Volume I, cost of land acquired for any specific work or project shall be recorded as part of cost of the work or of the project under the relevant functional major/minor head. All heads of departments shall make realistic assessment of estimates of land acquisition charges for government purposes and furnish proposals for Budget Estimates 2024-2025 with details of works/ projects, sanction orders, etc. The estimated cost of land acquisition for the year 2024-2025 may be given indicating separately amounts to be paid on account of court decrees and otherwise.

34. New requirements like special maintenance, replacement of vehicles etc. which are not normally catered to, should be given in a separate note for consideration by Finance Department.

Implementation of Official Language

35. The committee on Official Language (2011-14) in its 3rd report has recommended that 0.05% of budget outlay should be earmarked under a separate head of account for the activities on promoting Malayalam as official language. It was also recommended by the committee that necessary direction in this regard shall be given in the instructions issued in connection with the preparation of Budget. All officers/ Heads of departments shall therefore propose necessary budget provision under the detailed head '26-implementation of official

language' for incurring expenditure for the activities on promoting Malayalam as official language.

Asset Maintenance Fund

36. The purpose of Asset Maintenance Fund (AMF) is exclusively for the renovation and maintenance of existing buildings and machines under the departments – Revenue, General Education, Health, Taxes, Home, Social Welfare, Civil Supplies and GAD (House Keeping). These Departments shall submit proposal for provision of sufficient AMF based on clear assessment of the maintenance needs for the year and that the proposal of each department shall be submitted along with their respective annual budget proposals through the online budget submission software BMS.

Scrutiny by Administrative Department

37. The Administrative Department may scrutinise the estimates in the light of the sanctions given from time to time particularly in regard to the necessity for the continuance of temporary staff during the year 2024-2025 and suggest modifications, if any, found necessary before 31st August 2022, in the case of Non-Plan estimates. If, in the light of the subsequent orders or other developments, any alteration in the Budget Estimates are found necessary such alterations should be intimated to the Finance Department. **At present there is no facility in BMS to carry out corrections/modifications once the proposal furnished electronically gets processed by the Finance Department. Hence the Administrative Department has to be ensured the correctness of the proposals furnished by the estimating Officers.**

38. Certain schemes already under consideration in the Secretariat are sometimes left out in the Budget proposals and are sent to the Finance Department after the Budget Estimates are finalised. *As Finance Department cannot consider belated proposals for inclusion in the Budget, the Departments of the Secretariat are requested to ensure that all pending proposals are considered along with the budget proposals.*

Explanatory Memorandum

39. A Statement of guarantee given by the Government of Kerala is given in Appendix IV to the Explanatory Memorandum. Similarly the particulars of Government properties leased out at subsidised or concessional rates of rent and for which standard rent has not been fixed are given in Appendix V. The Heads of Departments and the respective Administrative Departments of the Secretariat are requested to examine these statements and indicate the changes necessary to make them up-to-date.

40. The following information has to be brought to the notice of the Legislature according to rules:

- (a) Cases already approved by the Legislature but where the expenditure is subsequently expected to exceed appreciably the amount intimated to the

Legislature. Full details with reasons for the variations may be furnished in the form given, in Annexure XII to this Circular.

- (b) Full details of Government properties or assets proposed to be transferred free of cost or sold at concessional rates to outside bodies/institutions/parties. In the case of land, particulars relating to the extent, survey number, location, name of transferee and purpose for which transfer is made etc., may be furnished. The details given in Appendix VI of the Explanatory Memorandum may, therefore be verified and up-to-date details furnished.
- (c) Statement showing the details of dues from Public Undertakings proposed to be waived should be sent as laid down in Circular no. 54/79/Fin. Dated 7.6.1979 given as Annexure XIII to this Circular.

Schemes Implemented by Local Self Governments

41. Government in G.O.(P) No.189/95/LAD dated 18.09.1995 issued orders transferring administrative control of various schemes/functions to the Local Self Governments constituted as per the Kerala Panchayati Raj Act, 1994 and Kerala Municipalities Act, 1994. The amounts required for implementation of each scheme/function transferred to the Local Self Governments are to be exhibited individually in a separate budget document viz., 'Appendix-IV Details of provisions earmarked to Panchayat Raj/Nagarapalika Institutions'.

42. All the Heads of Departments and other Estimating Officers are required to prepare and furnish Revised Budget Estimates for 2023-2024 and Budget Estimates for 2024-2025 in respect of the Schemes/Functions/Programmes relating to subjects that stand transferred to Local Self Governments. Separate Budget proposal covering the Estimates in respect of Village Panchayats/Block Panchayats/District Panchayats/Municipalities and Corporations should be prepared. The Non-Plan Estimates for the subjects/schemes transferred to Local Self Governments may be furnished head of account-wise (as per the classification existing in 'Appendix-IV Details of provisions earmarked to Panchayat Raj/ Nagarapalika Institutions') in the form appended (Annexure- XIV). Details of actual expenditure incurred on each scheme during 2022-2023 may also be indicated in the proposals. Similarly, separate Budget Estimates for 2024-2025 in respect of Plan schemes coming within the purview of Local Self Governments shall also be prepared and furnished, head of account-wise. Commencing from the financial year 2004-05, a new system of providing fund for maintenance, repairs and general purpose fund to the Local Self Governments for meeting running expenditure (viz; Office Expenses, Rent, Minor Works, Maintenance etc.) of those institutions transferred to their control was introduced. Pursuant on this, the practice of providing budgetary allocation for such purposes under the functional heads of the departments concerned was also dispensed with. Therefore estimate need not be proposed on such items in respect of institutions, transferred to Local Self Governments. However, provisions towards wages, pensions, supply of medicines to Health Institutions, educational concessions/scholarships, supply of books, equipments and consumable to educational institutions, noon feeding

programme, etc. may be included. No estimate need be furnished separately in respect of the staff transferred to Local Self Governments, as their pay and allowances are presently met from the respective departmental head of account.

Measures for Fiscal Transparency

43. In accordance with clause (b) of sub-section (2) of section 5 of the Kerala Fiscal Responsibility Act, 2003, Government have to present documents to the Legislature in the nature of Budget in Brief along with the annual budget, different statements on State's fiscal status as part of measures for fiscal transparency. This includes: (i) Statement of claims and commitments made by the Government on revenue demands, but not realized (in Form B-5) (ii) Statement on liability in respect of major works and contracts, committed liabilities in respect of land acquisition charges and claims on the government in respect of unpaid bills on works and supplies (in Form B-6) (iii) Statement of assets (in Form B-8) and (iv) Statement on the details of number of employees in Government, Public Sector and aided institutions and related expenditure on salaries (in Form B-9). All Administrative Departments/ Chief Controlling Officers/ Heads of Departments shall furnish along with their proposals on Budget Estimates 2024-2025, the information relevant to their department/organization in the formats prescribed as Annexure-XV, Annexure-XVI, Annexure-XVII and Annexure-XVIII respectively.
44. As per the recommendations of the Twelfth Finance Commission the Central and State Governments are on the way of changing over to the accrual based accounting system from the present cash based system of accounting so that complete financial information required for management of financial resources can be recorded and reported. The present system fails to reflect the accrued liabilities arising out of the future commitments and payments and also does not provide information on the assets held by the Governments. The Commission has therefore suggested that in the interim, some additional information in the form of statements should be appended to the present system of cash accounting to enable more informed decision-making. These statements are relating to data on committed liabilities in the future including *inter alia* accounts payable, salary/wages/pension, accrued debt, spill over liabilities in the form of transfer of Plan schemes to Non-Plan at the end of the Plan, liabilities arising from incomplete projects etc, the Statement on implications of major policy decisions taken by the Governments during the year, highlighting the impact thereof on the cash outflows in the ensuing years on account of decisions or announcements made in the budget and the Statement on maintenance expenditure with segregation into salary and non-salary components. All Administrative Departments, Chief Controlling Officers and Heads of Departments shall therefore furnish the information as in the format prescribed as Annexure-XIX, XX, and XXI to this circular.

Initiative on Gender and Child Responsive Budgeting

45. The initiative on Gender and Child Responsive Budgeting aims at categorization of specific schemes/ programmes in the budget with a direct focus on women, girls and children, specific schemes/ programmes which are stated to have components on women, children and the exact budget shares of these components. Gender and Child Responsive Budgeting is to analyse how effectively Government policies, programmes, and budgetary allocation respond to the needs and concerns of the females and children. This will also help to achieve gender equity, gender equality and child focus in allocations by identifying priorities for improvement of gender and child based targets.

46. The budget data have to be prepared in such a manner that the gender and child sensitiveness of the budgetary allocations is clearly highlighted. All Administrative Departments and Chief Controlling Officers and Heads of Departments shall therefore furnish along with other proposals on Budget Estimates 2024-2025 information as in the format prescribed as Annexures – XXII & XXII(i) for the formulation of Gender and Child Responsive Budgeting.

Need for personal attention by the Controlling Authorities

47. As the preparation of the Budget involves the co-operation of all Departments of Government at different levels, it is necessary that the time schedule for the various stages of the work be strictly adhered to. Government also wish to emphasis that the preparation of the estimates should not be done in a routine manner in the accounts branches; but should receive the personal attention of all estimating and controlling authorities so that the estimates would, apart from being as close to reality as possible indicate the policies and directions of Government.

48. All the Controlling/Estimating Officers are requested to ensure that the time schedule prescribed in para 1 of this Circular is strictly adhered to.

MIR MOHAMMED ALI. IAS

ADDITIONAL SECRETARY AND OFFICER ON SPECIAL DUTY (FINANCE)

To

The Principal Accountant General (A&E), Kerala, Thiruvananthapuram.

The Accountant General (Audit - I/ Audit - II), Kerala, Thiruvananthapuram.

All Additional Chief Secretaries/Principal Secretaries/Secretaries/Special Secretaries to Government.

All Departments (All Sections) of the Secretariat.

All Heads of Departments and Offices.

The Secretary to Governor.

The Additional Secretary to Chief Secretary.
The Secretary, Kerala Public Service Commission, Thiruvananthapuram. (with C.L)
The Secretary, Kerala State Information Commission, Thiruvananthapuram.
The Secretary, Ombudsman for Local Self Government Institutions, Thiruvananthapuram.
The Advocate General, Ernakulam. (with C.L)
The Secretary, Kerala State Road Transport Corporation, Thiruvananthapuram. (with C.L)
The Secretary, Kerala State Electricity Board, Thiruvananthapuram. (with C.L)
The Registrar of High Court, Ernakulam. (with C.L)
The Registrar, Kerala Lok Ayukta, Thiruvananthapuram. (with C.L)
The Registrar, Kerala Administrative Tribunal, Thiruvananthapuram.
The Registrar, University of Kerala/Cochin/Calicut/Kannur.
The Registrar, Mahatma Gandhi University, Kottayam/ Sanskrit University, Kalady.
The Registrar, Kerala Agricultural University, Mannuthy, Thrissur.
The Registrar, Kerala Veterinary and Animal Science University, Pookode.
The Registrar, Kerala University of Fisheries and Ocean Studies, Panangad, Ernakulam.
The Registrar, Kerala University of Health Sciences, Medical College PO, Thrissur.
The Registrar, APJ Abdul Kalam Technological University, Thiruvananthapuram.
Nodal Officer, www.finance.kerala.gov.in

Forwarded by Order

Signed by

Anil Kumar S

Date: 01-08-2023 16:48:11
Section Officer