

THIRTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2014-2016)**

NINETIETH REPORT

(Presented on 30th June, 2015)



**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2015**

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On

**Paragraphs Contained in the Report of the Comptroller and
Auditor General of India for the years ended
31st March 2011 & 2012 (State Finances)**

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INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on its behalf present the 90th Report on paragraphs contained in the second chapter of Reports of the Comptroller and Auditor General of India for the years ended 31 March 2011 and 2012 (State Finances).

The Reports of the Comptroller and Auditor General of India for the years ended 31 March 2011 and 2012 (State Finances) were laid on the Table of the House on 23-3-2012 and 18-2-2013 respectively.

The Committee considered and finalised this Report at the meeting held on 3rd June, 2015.

The Committee place on record its appreciation of the assistance rendered to it by the Accountant General (Audit) in the Examination of the Audit Report.

Thiruvananthapuram,
30th June, 2015.

DR. T. M. THOMAS ISAAC,
Chairman,
Committee on Public Accounts.

REPORT

FINANCE DEPARTMENT

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

Audit Paragraph

Introduction

Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year compared with the amounts of voted grants and appropriations charged for different purposes, as specified in the schedules appended to the Appropriation Acts. These accounts list the original budget estimates, supplementary grants, surrenders and re-appropriations distinctly and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Act in respect of both charged and voted items of the budget. Appropriation Accounts thus facilitate the management of finances and monitoring of budgetary provisions and are, therefore, complementary to the Finance Accounts.

Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants is within the authorisation 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 incurred is in conformity with the law, relevant rules, regulations and instructions.

As per the Kerala Budget Manual, the Finance Department is responsible for preparation of the annual budget by obtaining estimates from various departments. The departmental estimates of receipts and expenditure are prepared by the Heads of Departments and other Estimating Officers and submitted to the Finance Department on prescribed dates. The Finance Department consolidates the estimates and prepares the Detailed Estimates called 'Demand for Grants'. In the preparation of the budget, the aim should be to achieve as close an approximation to the actuals as possible. This demands the exercise of foresight both in estimating revenue and anticipating expenditure. An avoidable extra provision in an estimate is as much a budgetary irregularity as excess in the sanctioned expenditure. The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended in the year and neither larger nor smaller. A saving in an estimate constitutes as much of a financial irregularity as an excess in it. The budget estimates of receipts should be based on the existing rates of taxes, duties, fees, etc. Deficiencies in the management of budget and expenditure and

745/2015.

violation of the Budget Manual noticed in audit have been discussed in the subsequent paragraphs.

Summary of Appropriation Accounts

The summarised position of actual expenditure during 2010-11 against 47 grants/appropriations is given in Table 2.1.

TABLE 2.1: SUMMARISED POSITION OF ACTUAL EXPENDITURE *VIS-À-VIS* ORIGINAL/
SUPPLEMENTARY PROVISIONS

(₹ in crore)

<i>Nature of expenditure</i>	<i>Original grant/ Appropriation</i>	<i>Supplementary grant/ Appropriation</i>	<i>Total</i>	<i>Actual Expenditure</i>	<i>Saving(-)/ Excess(+)</i>
Voted					
I Revenue	28915.55	2951.46	31867.01	29160.78	(-) 2706.23
II Capital	4081.39	1067.96	5149.35	3332.00	(-) 1817.35
III Loans and Advances	834.09	376.64	1210.73	761.74	(-) 448.99
Total Voted	33831.03	4396.06	38227.09	33254.52	(-) 4972.57
Charged					
IV Revenue	6193.85	4.72	6198.57	6096.94	(-) 101.63
V Capital	72.82	12.64	85.46	47.83	(-) 37.63
VI Public Debt Repayment	12351.10	..	12351.10	1975.03	(-) 10376.07
Total Charged	18617.77	17.36	18635.13	8119.80	(-)10515.33
Appropriation to Contingency Fund (if any)
Grand Total	52448.80	4413.42	56862.22	41374.32*	(-) 15487.90

Source: Appropriation Accounts 2010-11

* These are gross expenditure figures without taking into account the recoveries adjusted in accounts as reduction of expenditure (revenue: ₹ 592.91 crore and capital: ₹ 16.14 crore, Total: ₹ 609.05 crore)

The overall savings of ₹ 15,487.90 crore was the result of savings of ₹ 15,488.05 crore in 44 grants and 21 appropriations under the Revenue Section and 26 grants and eight appropriations under the Capital Section, offset by excess of ₹ 0.15 crore in one grant and two appropriations under the Capital Section.

The status of savings/excess (as per Appropriation Accounts) was intimated (July 2011) to the Controlling Officers, requesting them to explain the significant variations. Out of 1169 subheads in respect of which savings/excess were reported, explanations for variations were not received (August 2011) in respect of 896 subheads.

FINANCIAL ACCOUNTABILITY AND BUDGET MANAGEMENT

Appropriation vis-à-vis Allocative Priorities

The appropriation audit revealed that in 16 cases, savings exceeded ₹ 10 crore in each case and were also more than 20 per cent of the total provisions [Appendix III(1)]. Against the total savings of ₹ 13584.08 crore, savings of ₹ 13449.10 crore (99 per cent) occurred in eleven cases* relating to 10 grants and one appropriation as indicated in Table 2.2.

TABLE 2.2: LIST OF GRANTS/APPROPRIATION WITH SAVINGS OF ₹ 50 CRORE AND ABOVE

(₹ in crore)

Sl. No.	Number and Name of Grant/ Appropriation	Original	Supplementary	Total	Expenditure	Savings	Surrender	Net savings(-)/ excess(+)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Revenue (Voted)								
1	XIV—Stationery and Printing and Other Administrative Services	206.53	51.04	257.57	202.33	55.24	51.76	(-) 3.48

* Savings of ₹ 50 crore and above in each case.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2	XX—Water Supply and Sanitation	598.58	53.44	652.02	388.87	263.15	158.31	(-) 104.84
3	XXI—Housing	154.73	13.76	168.49	98.42	70.07	64.28	(-) 5.79
4	XXII—Urban Development	932.17	5.00	937.17	374.13	563.04	533.15	(-) 29.89
5	XXXVI—Community Development	285.46	75.01	360.47	263.51	96.96	92.34	(-) 4.62

Capital (Voted)

6	XV—Public Works	2470.53	188.45	2658.98	1472.84	1186.14	720.56	(-) 465.58
7	XX—Water Supply and Sanitation	657.00	..	657.00	212.53	444.47	447.18	(+) 2.71
8	XXIX—Agriculture	115.72	11.19	126.91	49.62	77.29	69.11	(-) 8.18
9	XXXVIII—Irrigation	303.63	162.57	466.20	261.55	204.65	130.91	(-) 73.74
10	XLI—Transport	260.27	182.00	442.27	330.25	112.02	95.92	(-) 16.10

Capital (Charged)

11	Public debt repayment	12351.10	..	12351.10	1975.03	10376.07	10373.27	(-) 2.80
	Total	18335.72	742.46	19078.18	5629.08	13449.10	12736.79	(-) 712.31

Source: Appropriation Accounts 2010-11

Savings exceeding ₹ 100 crore in each case are discussed below :

(i) **Grant No. 'XX—Water Supply and Sanitation' (Revenue—Voted)**

The grant closed with a savings of ₹ 263.15 crore which included supplementary provision of ₹ 53.44 crore. Further, augmentation of funds (₹ 53.44 crore) through supplementary grants proved unnecessary as the total expenditure ₹ 388.87 crore was less than even the original provision of ₹ 598.58 crore. Savings occurred mainly under the heads '2215-Water Supply and Sanitation, 01-Water Supply, 190-Assistance to Public Sector and Other Undertakings, 99-Grant-in-aid to the Kerala Water Authority' (₹ 68.00 crore) due to release of Government of India's share towards Technology Mission Schemes and Accelerated Rural Water Supply Schemes direct to the Kerala Water Authority, '2215-Water Supply and Sanitation, 01-Water Supply, 800-Other Expenditure,

61-New drinking water supply schemes at Kumarakom and Parassala' (₹ 62.00 crore) due to slow progress of implementation of drinking water supply schemes, '2215-01-Water Supply', '800-Other Expenditure' below subheads '60-Special Package Against Recession in Kerala 2010-11' (₹ 20.00 crore); '58-Water Supply Scheme to Erumeli Panchayat' (₹ 5 crore) and '78-Manufacturing units for Bottled water' (₹ 4 crore) due to slow progress in implementation of schemes. Moreover, only 60 per cent (₹ 158.31 crore) of the total savings under this grant was surrendered.

(ii) **Grant Number 'XXII—Urban Development' (Revenue—Voted)**

Against the original provision of ₹ 932.17 crore, the expenditure was only ₹ 374.13 crore resulting in a savings of ₹ 563.04 crore. Further, augmentation of funds (₹ 5 crore) through supplementary grant proved unnecessary as the expenditure was less than even the original provision. Savings occurred mainly under the heads '2217-Urban Development, 80-General, 800-Other Expenditure, 91-Kerala Sustainable Urban Development Project' (₹ 208.67 crore) due to delay in implementation of the project on account of delay in getting various approvals from the State and Central level authorities; '2217-Urban Development, 05-Other Urban Development Schemes, 800-Other Expenditure, 89-Jawaharlal Nehru National Urban Renewal Mission' (₹ 191.10 crore) due to non-completion of tender formalities to undertake works under the Mission and '2217-Urban Development-03-Integrated Development of Small and Medium Towns, 191-Assistance to Municipal Corporations, 74-Urban Infrastructure Development Scheme for Small and Medium Towns' (₹ 78.76 crore) due to delay in acquisition of land.

(iii) **Grant No. 'XV—Public Works' (Capital—Voted)**

The grant closed with savings of ₹ 1186.14 crore which included supplementary provision of ₹ 188.45 crore. In view of the final savings, the supplementary grant obtained in March 2011 could have been limited to a token amount. Further, out of the savings of ₹ 1186.14 crore only ₹ 720.56 crore (61 per cent) was surrendered. Major savings of ₹ 1143.45 crore occurred under '5054-Capital Outlay on Roads and Bridges-04-District and Other Roads, 337-Road Works, 83-Projects under anti-recession stimulus package—Public Works (Roads)' (₹ 397.33 crore); '5054-Capital Outlay on Roads and Bridges-04-District and Other Roads, 101-Bridges, 86-Projects under anti-recession stimulus package—Public Works (Bridges)' (₹ 398.10 crore); '5054-Capital Outlay on Roads and Bridges-04-District and Other Roads, 337-Road Works, 82-Projects under anti-recession stimulus package, one time maintenance of District and Village Roads' (₹ 226.86 crore) and '5054-04- District and Other Roads,

800-Other Expenditure, 89-Works having NABARD Assistance' (₹ 121.09 crore). The reasons for the savings have not been received (July 2011) from the department.

(iv) **Grant No. 'XX—Water Supply and Sanitation' (Capital—Voted)**

The grant closed with savings of ₹ 444.47 crore against the original budget provision of ₹ 657 crore. The budget allotment under the head '6215-Loans for Water Supply and Sanitation, 01-Water Supply, 190-Loans to Public Sector and other undertakings, 98-Loans to the Kerala Water Authority for implementing Japan Bank for International Co-operation Assisted Water Supply Project' was injudiciously reduced from ₹ 600 crore to ₹ 96.46 crore through re-appropriation of ₹ 503.54 crore. However, the actual expenditure incurred was ₹ 99.17 crore resulting in excess expenditure of ₹ 2.71 crore.

(v) **Grant No. 'XXXVIII—Irrigation' (Capital—Voted)**

The grant closed with savings of ₹ 204.65 crore which included supplementary provision of ₹ 162.57 crore. In view of the overall savings, the supplementary grant of ₹ 158.22 crore obtained in March 2011 proved wholly unnecessary as the expenditure (₹ 261.55 crore) did not even come up to the level of the original provision (₹ 303.63 crore). Savings of ₹ 46.89 crore occurred under the head '4711-Capital outlay on Flood Control Projects, 01-Flood Control, 103-Civil Works, 90-Kuttanad Package' due to non-release of second instalment of Central assistance.

(vi) **Grant No. 'XLI—Transport' (Capital—Voted)**

Savings under the grant were ₹ 112.02 crore. Savings occurred under the subheads, '84-Priority Scheme under Thirteenth Finance Commission' (₹ 56.25 crore) and '86-Development of feeder canals connecting the National Water Way III' (₹ 40.00 crore) below '5075-Capital Outlay on Other Transport Services-60-Others-800-Other Expenditure'. During 2008-09 and 2009-10 also the entire provision of ₹ 40 crore under the head '5075-60-800-86' remained unutilized which indicated improper scrutiny of budget proposals at various levels of Government.

(vii) **Public Debt Repayment (Capital—Charged)**

Savings under the grant were ₹ 10376.07 crore. Major savings of ₹ 10375 crore occurred under '6003-Internal Debt of the State Government, 110-Ways and Means advances from the Reserve Bank of India' (₹ 10025 crore) and '6004-Loans and Advances from the Central Government, 06-Ways and Means

Advances' (₹ 350 crore) due to non-availing of Ways and Means Advances from the Reserve Bank of India and Government of India during the year in view of the improved liquidity position of the State Finances.

[Audit paragraph 2.1 to 2.3.1 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2011 (State Finances)].

AUDIT PARAGRAPH

Introduction

Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year compared with the amounts of voted Grants and Appropriations charged for different purposes, as specified in the schedules appended to the Appropriation Acts. These accounts list the original budget estimates, supplementary grants, surrenders and re-appropriations distinctly and indicate actual capital and revenue expenditure on various specified services vis-à-vis those authorised by the Appropriation Act in respect of both charged and voted items of the budget. Appropriation Accounts thus facilitate the management of finances and monitoring of budgetary provisions and are, therefore, complementary to the Finance Accounts.

Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various Grants is within the authorisation 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 incurred is in conformity with the law, relevant rules, regulations and instructions.

As per the Kerala Budget Manual, the Finance Department is responsible for preparation of the annual budget by obtaining estimates from various departments. The departmental estimates of receipts and expenditure are prepared by the Heads of Departments and other Estimating Officers and submitted to the Finance Department on prescribed dates. The Finance Department consolidates the estimates and prepares the Detailed Estimates called 'Demands for Grants'. In the preparation of the budget, the aim should be to achieve as close an approximation to the actuals as possible. This demands the exercise of foresight both in anticipating revenue and estimating expenditure. An avoidable extra provision in an estimate is as much a budgetary irregularity as an excess in the sanctioned expenditure. The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended in the year and neither in excess nor lesser.

A saving in an estimate constitutes as much of a financial irregularity as an excess in it. The budget estimates of receipts should be based on the existing rates of taxes, duties, fees, etc.

Deficiencies in the management of budget and expenditure and violation of the provisions of Budget Manual noticed in audit have been discussed in the subsequent paragraphs.

Summary of Appropriation Accounts

The summarised position of actual expenditure during 2011-12 against 47 Grants/Appropriations is given in Table 2.1.

TABLE 2.1: SUMMARISED POSITION OF ACTUAL EXPENDITURE VIS-À-VIS ORIGINAL/
SUPPLEMENTARY PROVISION

<i>Nature of Expenditure</i>	<i>Original Grant/ Appropriation</i>	<i>Supplementary Grant/ Appropriation</i>	<i>Total</i>	<i>Actual Expenditure(*)</i>	<i>Saving</i>
Voted					
I Revenue	38578.19	3381. 35	41959.54	40151.10	1808.44
II Capital	3815.82	1256.12	5071.94	3834.87	1237.07
III Loans and Advances	1229.13	52.59	1281.72	998.54	283.18
Total Voted	43623.14	4690.06	48313.20	44984.51	3328.69
Charged					
IV Revenue	6734.04	40.37	6774.41	6501.41	273.00
V Capital	26.98	11.40	38.38	35.65	2.73
VI Public Debt Repayment	9145.37	0	9145.37	2893.06	6252.31
Total Charged	15906.39	51.77	15958.16	9430.12	6528.04
Appropriation to Contingency Fund (if any)	Nil	Nil	Nil	Nil	Nil
Grand Total	59529.53	4741.83	64271.36	54414.63	9856.73

Source: Appropriation Accounts 2011-12 and Appropriation Acts

* Actual expenditure is understated to the extent of unrecouped contingency fund advances amounting to ₹ 20.80 crore and unadjusted AC bills amounting to ₹ 1.35 crore.

The overall savings of ₹ 9,856.73 crore was the result of savings of ₹ 10627.74 crore in 33 Grants and 19 Appropriations under the Revenue Section and 24 Grants and 10 Appropriations under the Capital Section, offset by excess of ₹ 771.01 crore in 11 Grants and two Appropriations under the Revenue Section and four Grants under Capital Section.

The status of savings/excess (as per Appropriation Accounts) was intimated (July 2012) to the Controlling Officers, requesting them to explain the significant variations. Out of 1279 subheads in respect of which savings/excess were reported, explanations for variations were not received (August 2012) in respect of 843 subheads.

FINANCIAL ACCOUNTABILITY AND BUDGET MANAGEMENT

Appropriation vis-à-vis Allocative Priorities

The appropriation audit revealed that in 15 cases, savings exceeded ₹ 10 crore in each case and were also more than 20 per cent of the total provisions [Appendix III (2)]. Against the savings of ₹ 8573.27 crore, Savings of ₹ 8398.55 crore (98 per cent) occurred in eleven cases 23 relating to 10 Grants and one Appropriation as indicated in Table 2.2

Table 2.2: List of Grants/Appropriation with savings of ₹ 50 crore and above

(₹ in crore)

Sl. No.	Number and Name of Grant/ Appropriation	Original	Supplementary	Total	Expenditure	Savings	Surrender	Net savings(-)/ excess(+)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Revenue—Voted								
1	XX—Water Supply and Sanitation	602.83	1.00	603.83	383.04	220.79	220.38	(-)0.41
2	XXII —Urban Development	623.02	22.50	645.52	274.08	371.44	362.50	(-)8.94

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
3	XXIV—Labour and Labour Welfare	529.44	54.83	584.27	429.26	155.01	111.97	(-)43.04
4	XXXVI—Community Development	350.29	107.32	457.61	270.00	187.61	168.45	(-)19.16
5	XXXVIII—Irrigation	320.27	0.60	320.87	233.57	87.30	85.81	(-)1.49
Capital-Voted								
6	XVII—Education, Sports, Art and Culture	174.45	55.13	229.58	78.57	151.01	38.62	(-)112.39
7	XX—Water Supply and Sanitation	533.64	Nil	533.64	323.14	210.50	212.72	(+) 2.22
8	XXV—Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	100.51	Nil	100.51	49.09	51.42	43.27	(-)8.15
9	XXIX—Agriculture	154.94	72.36	227.30	92.27	135.03	82.23	(-)52.80
10	XXXVIII—Irrigation	532.87	206.36	739.23	163.10	576.13	536.20	(-)39.93
Capital-Charged								
11	Public Debt Repayment	9145.37	Nil	9145.37	2893.06	6252.31	6298.30	(+)45.99
	Total	13067.63	520.10	13587.73	5189.18	8398.55	8160.45	(-)238.10

Source:-Appropriation accounts 2011-12.

Savings exceeding ₹ 100 crore in each case are discussed below :

(i) **Grant No. 'XX—Water Supply and Sanitation' (Revenue—Voted)**

The Grant closed with a savings of ₹ 220.79 crore which included supplementary provision of ₹ 1.00 crore. Further, augmentation of funds (₹ 1.00 crore) through supplementary grants (March 2012) proved unnecessary as the total expenditure of ₹ 383.04 crore was less than even the original provision of ₹ 602.83 crore. Savings occurred mainly under the heads '2215-Water Supply and Sanitation, 01-Water Supply, 800-Other Expenditure, 67-Add-on project of

Jalanidhi' (₹ 87.50 crore) due to slow progress of the scheme and '2215-01-190-Assistance to Public Sector and Other Undertakings, 99-Grant-in-aid to the Kerala Water Authority' (₹ 40.74 crore) due to non release of Government of India's share through Government of Kerala. Further, savings were noticed under sub heads below '2215-01-800-Other Expenditure, 63-Replacement of old and unusable pipes' (₹ 25.00 crore), '61-New Drinking Water Supply Scheme at Kumarakom and Parassala' (₹ 20.00 crore), '68-Special Package for completing ongoing urban water supply schemes' (₹ 12.50 crore) and '55-Drinking water supply project for Kilimanoor, Pazhayakunnumel and Madavoor Villages' (₹ 6.50 crore). Reasons for savings in these cases have not been intimated by the Government (July 2012).

(ii) Grant No. 'XXII—Urban Development' (Revenue—Voted)

Against the original provision of ₹ 623.02 crore, the expenditure was only ₹ 274.08 crore resulting in a savings of ₹ 348.94 crore. Further, augmentation of funds (₹ 22.50 crore) through supplementary grant proved unnecessary as the expenditure was less than even the original provision. Savings occurred mainly under the heads '2217-Urban Development, 05-Other Urban Development Schemes, 800-Other Expenditure, 83-Basic Services to the Urban Poor' (₹ 120.18 crore) and '2217-03-Integrated Development of Small and Medium Towns, 191-Assistance to Municipal Corporations, 74-Urban Infrastructure Development Scheme for Small and Medium Towns' (₹ 70.24 crore). Reasons for the savings occurred under the above heads of account have not been intimated by the Government (July 2012). Further, savings were noticed under '2217-05-800-89-Jawahar Lal Nehru National Urban Renewal Mission' (₹ 67.42 crore) due to non-completion of tender formalities in time and delay in acquisition of land, '2217-80-General, 800-Other Expenditure, 91-Kerala Sustainable Urban Development Project' (₹ 55.00 crore) due to non-completion of tender formalities and delay in disbursement to Kerala Local Government Development Fund consequent on delay in setting up of the Asset Management Company and '2217-Urban Development, 05-Other Urban Development Schemes, 192-Assistance to Municipalities/Municipal Councils, 81-Integrated Housing and Slum Development Programme' (₹ 31.75 crore).

(iii) Grant No. 'XXIV—Labour and Labour Welfare' (Revenue—Voted)

The Grant closed with savings of ₹ 155.01 crore. As total expenditure under the Grant was less than the even original budget, the augmentation by way of the supplementary grant (October 2011: ₹ 29.35 crore and March 2012: ₹ 25.48 crore) could have been avoided or limited to a token amount. Further, out of the available savings of ₹ 155.01 crore only ₹ 111.97 crore (72 per cent) was surrendered. Savings occurred mainly under '2230-Labour and Employment, 01-Labour, 103-General Labour Welfare, 33-Income support to workers in

traditional sector activities' (₹ 50.00 crore), '2230-01-103-30 Comprehensive Health Insurance Programme, Kerala' (₹ 49.96 crore), '2230-02-Employment Service, 198 Assistance to Grama Panchayats, 50-Block Grants for Revenue Expenditure' (₹ 16.59 crore) and '2230-03-Training, 101-Industrial Training Institutes, 87-Modernisation of Industrial Training Institutes' (₹ 13.87 crore) due to non-supply of machinery and equipments by the firms.

(iv) **Grant No. 'XXXVI—Community Development' (Revenue—Voted)**

The Grant closed with savings of ₹ 187.61 crore against the budget provision of ₹ 457.61 crore. Considering the final savings, augmentation of funds (₹ 107.32 crore) through supplementary demands could have been avoided. The savings occurred mainly under '2505-Rural Employment, 01-National Programme, 800-Other Expenditure, 99-National Rural Employment Guarantee Programme' (₹ 130.00 crore) due to reclassification of expenditure on the scheme under the head of account '2505-02-101-99' to adopt correct classification and '2515-Other Rural Development Programme, 102-Community Development, 61-Restructured Central Rural Sanitation Programme' (₹ 39.26 crore) due to limiting the expenditure proportionate to the funds released by Government of India.

(v) **Grant No. 'XXXVIII—Irrigation' (Revenue—Voted)**

Against the original provision of ₹ 320.27 crore, the final expenditure was ₹ 233.57 crore, which led to a savings of ₹ 86.70 crore. Savings occurred mainly under '2700-Major Irrigation, 80-General, 800-Other Expenditure, 99-Maintenance of Irrigation scheme under XIII-Finance Commission Award' (₹ 39.90 crore) and '2701-Medium Irrigation, 80-General, 800-Other Expenditure, 77-Maintenance of Irrigation Scheme under XIII-Finance Commission Award' (₹ 9.69 crore) due to non-implementation of the schemes.

(vi) **Grant No. 'XVII—Education, Sports, Art and Culture' (Capital—Voted)**

An amount of ₹ 229.58 crore including ₹ 55.13 crore of supplementary grants was available under the Grant. Against this provision, final expenditure was only ₹ 78.57 crore resulting in a savings of ₹ 151.01 crore. Considering the final savings, supplementary grants (₹ 54.23 crore) could have been avoided or limited to token provision. Only ₹ 38.62 crore (26 per cent) was surrendered leaving savings of ₹ 112.39 crore unsundered at the close of the year. Savings occurred mainly under '4202-Capital outlay on Education, Sports, Art and Culture, 03-Sports and Youth Services, 800-Other Expenditure, 90-National Games' (₹ 100.00 crore) and '4202-02-Technical Education, 800-Other Expenditure, 95-ITI Building works' (₹ 9.51 crore) due to slow progress of works.

(vii) **Grant No. 'XX—Water Supply and Sanitation' (Capital—Voted)**

The Grant closed with a saving of ₹ 210.50 crore against the available provision of ₹ 533.64 crore. The injudicious decision to surrender an amount of ₹ 212.72 crore was without assessing the final savings, which resulted in excess surrender of ₹ 2.22 crore. Savings occurred mainly under '6215-Loans for Water Supply and Sanitation, 01-Water Supply, 190-Loans to Public Sector and Other Undertakings, 98-Loans to the Kerala Water Authority for implementing JBIC Assisted Water Supply Project' (₹ 269.90 crore). This savings was partly offset by the excess under '4215-Capital outlay on Water Supply and Sanitation, 01-Water Supply, 800-Other Expenditure, 99-NABARD assisted Rural Water Supply Scheme (RIDF)' (₹ 57.18 crore).

(viii) **Grant No. 'XXXVIII—Irrigation' (Capital—Voted)**

Against the budget allocation of ₹ 739.23 crore, including ₹ 206.36 crore obtained through supplementary grants, the final expenditure was only ₹ 163.10 crore resulting in a savings of ₹ 576.13 crore. Considering the final savings augmentation of provision through supplementary grants proved wholly unnecessary. Savings occurred mainly under '4711-Capital Outlay on Flood Control Projects, 01-Flood Control, 103-Civil Works, 90-Kuttanadu Package' (₹ 347.22 crore) due to non-release of second instalment of Central Assistance, '4701-Capital Outlay on Medium Irrigation, 80-General, 800-Other Expenditure, 79-AIBP-Support for other need based programme' (₹ 114.50 crore) and '4701-80-800-76-Priority Works' (₹ 50 crore).

(ix) **Public Debt Repayment (Capital—Charged)**

Savings under the Grant were ₹ 6252.31 crore. Major savings of ₹ 6525 crore occurred under '6003-Internal Debt of the State Government, 110-Ways and Means Advances from the Reserve Bank of India' due to non-availing of Ways and Means Advances in view of the improved liquidity position of the state finances. This was partly offset by the excesses under '6004-Loans and Advances from the Central Government, 04-Loans for Centrally Sponsored Schemes' (₹ 42.96 crore), '6003-111-Special Securities issued to National Small Savings Fund of the Central Government' (₹ 4.65 crore) and '6004-03 Loans for Central Plan Schemes' (₹ 2.84 crore).

[Audit Paragraph 2.1 to 2.3.1 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraphs are included as Appendix II.

Regarding the audit paragraph, the Secretary, Finance Department explained that actual expenditure was varied from the proposed estimates in respect of certain departments due to unavailability of land and other issues. To avoid this, specific instructions were issued to all departments to ensure strict adherence to the relevant provision in the Kerala Budget Manual with regard to the prudent management of budgetary allocation.

2. The Secretary, Finance Department admitted the non-utilisation of funds by departments and explained the precautions taken by the Finance Department to control excess savings. The Committee criticized that the departments incurred persistent savings and instructions did not seem sufficient to curtail such practices. It directed that Finance Department should ascertain *suo moto* the reason for non-utilisation of funds by the departments, which caused persistent savings and obtain reason from the controlling officers of those departments.

Conclusion/Recommendation

3. The Committee admonishes that none of the administrative departments maintain the financial discipline; they incur either persistent savings or excess expenditure. It evaluates that the instructions issued from Finance Department in this regard are not sufficient to curtail such practices. It urges that Finance Department should ascertain the reason for the non-utilization of funds and should seek for clarification for the irregular expenditure on the part of the controlling officers of the administrative departments

AUDIT PARAGRAPH

Persistent Savings

In ten cases, there were persistent savings in excess of ₹ 50 lakh in each case and also 20 per cent or more of the provision for the last three years as shown in Table 2.3.

TABLE 2.3: PERSISTENT SAVINGS

(₹ in crore)

Sl. No.	Number and Name of Grant/Appropriation	Amount of saving (Percentage)		
		2008-09	2009-10	2010-11
(1)	(2)	(3)	(4)	(5)
Revenue-Voted				
1	XXII—Urban Development	148.16 (22)	531.22 (61)	563.04 (60)

(1)	(2)	(3)	(4)	(5)
Capital-Voted				
2	XVII—Education, Sports, Art and Culture	30.05 (47)	37.71 (43)	22.31 (21)
3	XX—Water Supply and Sanitation	241.00 (37)	545.73(51)	444.47 (68)
4	XXV—Welfare of Scheduled Castes/ Scheduled Tribes and Other Backward Classes	26.91 (44)	22.31 (37)	37.90 (34)
5	XXIX—Agriculture	50.63 (62)	64.96 (64)	77.29 (61)
6	XXXI—Animal Husbandry	3.72 (51)	2.97 (40)	8.63 (46)
7	XXXIV—Forest	3.48 (20)	3.53 (21)	6.00 (30)
8	XXXVIII—Irrigation	102.08 (33)	120.06 (34)	204.65 (44)
9	XLII—Tourism	14.16 (45)	60.02 (79)	17.90 (34)
Capital-Charged				
10	Public Debt Repayment	4920.56 (47)	9742.10 (80)	10376.07 (84)

Source: Appropriation Accounts 2008-09, 2009-10 and 2010-11.

[Audit Paragraph 2.3.2 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2011 (State Finances).]

AUDIT PARAGRAPH

Persistent Savings

In seven cases, there were persistent savings in excess of ₹ 50 lakh in each case and also 20 per cent or more of the provision for the last three years as shown in Table 2.3.

TABLE 2.3: PERSISTENT SAVINGS

(₹ in crore)

Sl. No.	Number and Name of Grant/Appropriation	Amount of saving (Percentage)		
		2009-10	2010-11	2011-12
(1)	(2)	(3)	(4)	(5)
Revenue-Voted				
1	XXII—Urban Development	531.22 (61)	563.04 (60)	371.44 (58)

(1)	(2)	(3)	(4)	(5)
Capital-Voted				
2	XVII—Education, Sports, Art and Culture	37.71 (43)	22.31 (21)	151.01 (66)
3	XX—Water Supply and Sanitation	545.73 (51)	444.47 (68)	210.50 (39)
4	XXV—Welfare of Scheduled Castes/ Scheduled Tribes and Other Backward Classes	22.31 (37)	37.90 (34)	51.42 (51)
5	XXIX—Agriculture	64.96 (64)	77.29 (61)	135.03 (59)
6	XXXVIII—Irrigation	120.06 (34)	204.65 (44)	576.13 (78)
Capital-Charged				
7	Public Debt Repayment	9742.10 (80)	10376.07 (84)	6252.31 (68)

Source: Appropriation Accounts 2009-10, 2010-11 and 2011-12.

In 28 subheads, there were persistent savings in excess of ₹ five crore in each case of the provision for the last three years. Details are given in Appendix III (3).

[Audit Paragraph 2.3.2 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraph is included as Appendix II.

4. The Committee criticised the administrative departments for persistent savings during the years 2009-10, 2010-11 and 2011-12 as specified in Audit Paragraph. It remarked that the administrative inefficiency of the department concerned was evident from the table. The Committee opined that the excess savings persistently occurred in capital account indicates lack of capacity in incurring the capital expenditure by administrative departments. Poor allocations to capital expenditure lead to excess savings in that head, and it also depend upon the conditions in the Fiscal Responsibility and Budget Management Act, 2005 and Government must take serious effort to revamp the administrative machinery so that it could implement projects as envisaged. The Committee directed the Finance Department to review the financial procedures followed to

check whether the prevailing procedures cause undue delay in expending the allocation in time.

5. The Committee decided to recommend that the expenditure and savings of previous years should be taken into account while formulating budget estimates for the succeeding years.

6. To a query, the Secretary, Finance Department submitted that, by the strict adherence of the circular regarding the quarterly review of expenditure, departments could surrender unutilized fund before 10th February every year as stipulated in the Kerala Budget Manual. The Committee analysed that financial discipline could not be achieved simply by issuing circular. It suggested that progressive expenditure on budget allocation should be reviewed by conducting a meeting presided over by the Chief Minister at the end of each quarter. The Committee reiterated its earlier recommendation that the practice of drawing the unspent amount of plan fund to avoid the lapse of fund should not be exercised under any circumstances. It emphasised that a list of inevitable expenditure to be incurred in the next financial year should be sorted out by the administrative departments and the proposals for the same should be included in the forthcoming year's budget.

Conclusion/Recommendation

7. The Committee urges the Finance Department to check whether prevailing financial procedures cause undue delay in expending the allocation in time.

8. The Committee recommends that the expenditure and savings of previous years should be taken into account while formulating the budget estimates for the succeeding years.

9. The Committee analyses that the circulars issued by Finance Department have no impact in financial discipline. So it demands that progressive expenditure of budget allocation should be reviewed at the end of each quarter by conducting meetings presided over by Chief Minister.

10. The Committee reiterates its earlier recommendations that the practice of drawal of unspent balance of plan allocation to show it as expenditure should not be entertained.

11. It recommends that inevitable expenditure to be incurred in succeeding year should be listed by administrative departments and proposals for the same should be included in the succeeding year's budget.

AUDIT PARAGRAPH

Excess over provision during 2010-11 requiring regularisation

The Appropriation Accounts disclosed excess expenditure of ₹ 15 lakh over the authorization from the Consolidated Fund of the State during 2010-11 in one grant and two appropriations. This excess expenditure of ₹15 lakh required regularization under Article 205 of the Constitution as summarized in Table 2.4.

TABLE 2.4: EXCESS OVER PROVISION REQUIRING REGULARISATION DURING 2010-11

(₹ in lakh)

Sl. No.	Number and title of grant/appropriation	Total grant/appropriation	Expenditure	Excess
Voted Grants—Capital				
1	XII—Police	1000.00	1014.00	14.00
Charged Appropriation—Capital				
2	XXIX—Agriculture	4.00	5.00	1.00
3	XXXII—Dairy*
	Total Charged	1004.00	1019.00	15.00

Source: Appropriation Accounts of the State Government, 2010-11.

Excess over provisions relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get excesses over grants/appropriations regularised by the State Legislature. Although no time limit for regularisation of expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after the completion of discussion of the Appropriation Accounts and the connected Audit Report by the Public Accounts Committee (PAC). However, excess expenditure amounting to ₹ 333.59 crore for the years 1990-91 to 2009-10 was still to be regularised (December 2011) as summarised in Table 2.5. The year-wise and grant-wise amounts of excess expenditure pending regularisation and the stage of consideration by the PAC are detailed in Appendix III (4).

* The total appropriation, expenditure and excess expenditure relating to this appropriation were ₹ 4,71,000, ₹ 4,71,083 and ₹ 83 respectively only.

TABLE 2.5: EXCESS OVER PROVISIONS RELATING TO THE PREVIOUS YEARS REQUIRING REGULARISATION

(₹ in crore)

Year	Number of		Amount of excess over provision
	Grant	Appropriation	
1990-91	1	..	0.36
1992-93	1	..	0.04
1995-96	1	..	21.12
1996-97	..	1	0.0025*
1997-98	1	..	3.92
1998-99	1	..	7.88
2000-01	1	..	14.66
2001-02	2	..	29.08
2003-04	3	..	128.61
2006-07	1	..	1.28
2008-09	5	1	103.57
2009-10	8	2	23.07
Total	25	4	333.59

Source: As per records maintained by the Principal Accountant General (Audit).

Non-regularisation of excesses over grants/appropriations over the years is a breach of legislative financial control over appropriations.

[Audit Paragraph 2.3.3 and 2.3.4 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2011 (State Finances)].

AUDIT PARAGRAPH

Excess over provision during 2011-12 requiring regularisation

The Appropriation Accounts disclosed excess expenditure of ₹ 760.88 crore under Revenue Section (11 Grants and two Appropriations) and ₹ 10.13 crore under Capital Section (four Grants) requiring regularization during

* ₹ 32,791 only.

2011-12. This excess expenditure of ₹ 771.01 crore requires regularisation under Article 205 of the Constitution as summarized in Table 2.4.

TABLE 2.4: EXCESS OVER PROVISION REQUIRING REGULARISATION DURING 2011-12

(₹ in crore)

Sl. No.	Number and title of grant/appropriation	Total grant/appropriation	Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
Voted Grants — Revenue				
1	I—State Legislature	50.69	50.93	0.24
2	V—Agricultural Income Tax and Sales Tax	180.87	183.56	2.69
3	VII—Stamps and Registration	145.71	146.31	0.60
4	VIII—Excise	140.02	144.77	4.75
5	XI—District Administration and Miscellaneous	353.07	361.35	8.28
6	XII—Police	1619.54	1724.02	104.48
7	XIII—Jails	63.73	64.76	1.03
8	XVI—Pensions and Miscellaneous	9102.13	9672.30	570.17
9	XIX—Family Welfare	257.54	306.41	48.87
10	XXVIII—Miscellaneous Economic Services	88.24	90.52	2.28
11	XLI—Transport	105.87	120.78	14.91
Total—Voted Grants—Revenue		12107.41	12865.71	758.30

(1)	(2)	(3)	(4)	(5)
Charged Appropriation—Revenue				
12	II—Heads of States, Ministers and Headquarters Staff	86.98	89.53	2.55
13	XII—Police	0.06	0.09	0.03
Total—Charged Appropriation—Revenue		87.04	89.62	2.58
Voted Grants—Capital				
14	XII—Police	0.91	1.03	0.12
15	XIV —Stationery and Printing and Other Administrative Services	1.70	2.11	0.41
16	XLII —Tourism	111.05	120.64	9.59
17	XLVI—Social Security and Welfare	1.33	1.34	0.01
Total-Voted Grants—Capital		114.99	125.12	10.13
Grand Total		12309.44	13080.45	771.01

Source: Appropriation Accounts 2011-12.

Excess over provisions relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get excesses over Grants/Appropriations regularised by the State Legislature. Although no time limit for regularisation of expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after the completion of discussion of the Appropriation Accounts and the connected Audit Report by the Public Accounts Committee (PAC). Excess expenditure occurred under 26 Grants and six Appropriations amounting to ₹ 333.74 crore for the years 1990-91 to 2010-11, was to be regularised (September 2012) as summarised in Table 2.5. The year-wise and Grant-wise amounts of excess expenditure pending regularisation and the stage of consideration by the PAC are detailed in Appendix III(5).

TABLE 2.5: EXCESS OVER PROVISIONS RELATING TO THE PREVIOUS YEARS REQUIRING REGULARISATION

(₹ in crore)

Year	Number of		Amount of excess over provision
	Grant	Appropriation	
1990-91	1		0.36
1992-93	1		0.04
1995-96	1		21.12
1996-97		1	(*)
1997-98	1		3.93
1998-99	1		7.88
2000-01	1		14.65
2001-02	2		29.08
2003-04	3		128.61
2006-07	1		1.28
2008-09	5	1	103.57
2009-10	8	2	23.07
2010-11	1	2	0.15
Total	26	6	333.74

Source: As per records maintained by the Principal Accountant General (SGSA)

[Audit Paragraph 2.3.3 & 2.3.4 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraphs are included as Appendix II.

12. The Committee expressed its displeasure when noticed that about ₹ 1403.98 crore excess over voted/charged appropriation was pending to be regularised and enquired whether any action had been taken against the department which had not maintained accounts or documents for regularisation.

* ₹ 32,791 only.

The Secretary, Finance Department could not give proper reply to the query and submitted that ₹15 lakh was regularised in 2011. The Accountant General informed the Committee that improvement was noted in regularisation but still some departments commit delay in the submission of notes for regularisation.

13. The Committee appreciated the improvement in the regularisation of excess expenditure and directed the Finance Department to take immediate action to settle the pending cases.

Conclusion/Recommendation

14. The Committee directs the Finance Department to take immediate action to regularise excess expenditure incurred by various departments at the earliest.

AUDIT PARAGRAPH

Unnecessary/Excessive/Inadequate Supplementary provision

Supplementary provisions aggregating ₹ 1143.10 crore, obtained in 25 cases of ₹ 50 lakh or more in each case during the year, proved unnecessary as the expenditure did not come up to the level of the original provisions as detailed in Appendix III(6).

In 31 cases, against the additional requirement of ₹ 2218.02 crore, supplementary grants of ₹ 3132.85 crore were obtained, resulting in savings exceeding ₹ one crore and above in each case, aggregating ₹ 914.83 crore [Appendix III(7)].

Excessive/unnecessary/insufficient re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. There were excesses/savings of more than ₹ two crore in 102 subheads even after re-appropriation as detailed in Appendix III(8). Reasons for the variations were not furnished by the Department/Government.

[Audit Paragraph 2.3.5 & 2.3.6 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2011 (State Finances).]

AUDIT PARAGRAPH

Unnecessary/Excessive/Inadequate Supplementary provision

Supplementary provisions aggregating ₹ 793.63 crore, obtained in 22 cases of ₹ 50 lakh or more in each case during the year, proved unnecessary as the expenditure did not come up to the level of the original provisions as detailed in Appendix III(9).

In 23 cases, against the additional requirement of ₹ 1,558.12 crore, supplementary grants of ₹ 2,408.21 crore were obtained, resulting in savings aggregating ₹ 850.09 crore [Appendix III(10)].

In 10 cases, supplementary provision of ₹ 1,413.24 crore proved inadequate by more than ₹ one crore in each case, leaving uncovered excess expenditure of ₹ 720.73 crore [Appendix III(11)].

Excessive/unnecessary/insufficient re-appropriation of funds

Re-appropriation is transfer of funds within a Grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. There were excesses/savings of more than ₹ two crore in 127 subheads even after re-appropriation as detailed in Appendix III(12). Reasons for the variations were not furnished by the Department/Government.

[Audit Paragraph 2.3.5 & 2.3.6 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraphs are included as Appendix II.

15. The Committee wanted to know the mechanism followed by Finance Department to monitor the proposals for SDG submitted by various departments. The Secretary, Finance Department informed that it would not be feasible to monitor the first proposal, as it was in July, but the 2nd SDG could be monitored.

16. The Committee decided to recommend that the Finance Department should monitor the budgetary procedures especially of the departments which persistently incurring excess expenditure and should take a proactive role in interacting with the departments regarding the new proposal declared through budget speech. The Finance Department should take necessary steps to ensure that the concerned administrative department move for the proposal for opening the new service procedure reciprocal to the budget declaration. The Committee decided to recommend that a token provision for the budget proposal should be included in the 2nd SDG and additional amount if any required should be met through re-appropriation of surplus from other minor heads pertaining to that department.

Conclusion/Recommendation

17. The Committee recommends the Finance Department to take a proactive role in interacting with the departments regarding the proposals declared through budget speech and to ensure that concerned administrative department move for the proposal for opening the new service reciprocal to the budget declaration.

18. The Committee also directs that Finance Department should be vigilant in providing a token provision for the budget proposal in the second SDG and the additional amount required in this regard should be met though re-appropriation of surplus from other minor heads pertaining to the department.

AUDIT PARAGRAPH

Substantial surrenders

Substantial surrenders (where more than 50 per cent of the total provision* were surrendered) were made in respect of 252 subheads on account of either non-implementation or slow implementation of plan schemes/programmes. Out of the total provision amounting to ₹ 2360.02 crore in these 252 subheads, ₹ 1802.65 crore (76 per cent) was surrendered which included cent per cent surrender in 53 subheads as indicated in Appendix III(13).

[Audit Paragraph 2.3.7 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2011 (State Finances).]

AUDIT PARAGRAPH

Substantial surrenders

Substantial surrenders (where more than 50 per cent of the total provision was surrendered) were made in respect of 494 sub-heads on account of either non-implementation or slow implementation of plan schemes/programmes. Out of the total provision amounting to ₹ 2,155.49 crore in these 494 sub-heads, ₹ 1,918.20 crore (89 per cent) was surrendered which included cent per cent surrender in 50 subheads amounting to ₹ 308.04 crore as indicated in Appendix III(14).

[Audit Paragraph 2.3.7 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraph is included as Appendix II.

19. The Committee was at a loss to note that about 89% i.e. ₹ 1918.20 crore of the total allocation was surrendered and enquired the reason for the huge surrender. The Secretary, Finance Department deposed that surrender was occurred mainly under capital outlay. The Committee observed that whole amount was surrendered in 50 cases and remarked that the surrender of fund for the construction of the hospital building, a NABARD assistance scheme could not be justified.

* Total provision refers to original provision plus supplementary provision.

20. The Committee directed the Finance Department to submit the list of projects declared during the last 5 years in which 100% of the allocation was surrendered stating the reason thereof, for not starting the project. The Secretary, Finance Department agreed to do so.

Conclusion/Recommendation

21. The Committee urges the Finance Department to submit a list of projects declared during the last 5 years incorporating the reason for not starting the project.

AUDIT PARAGRAPH

Surrender in excess of actual saving

In 25 cases (grants) the amounts surrendered (₹ 50 lakh or more in each case) was in excess of the actual savings indicating lack of or inadequate budgetary control. As against savings of ₹ 789.17 crore, the amount surrendered was ₹ 870.47 crore, resulting in excess surrender of ₹ 81.30 crore. Details are given in Appendix III(15).

[Audit Paragraph 2.3.8 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2011 (State Finances).]

AUDIT PARAGRAPH

Surrender in excess of actual saving

In 17 cases (Grants/Appropriations) the amounts surrendered (₹ 50 lakh or more in each case) was in excess of the actual savings indicating lack of or inadequate financial control. As against savings of ₹ 6,910.08 crore, the amount surrendered was ₹ 7,047.23 crore, resulting in excess surrender of ₹ 137.15 crore. Details are given in Appendix III(16).

[Audit Paragraph 2.3.8 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraph is included as Appendix II.

22. The Committee was informed that though the last date for the savings to be surrendered is 10th February as per Budget Manual, the actual surrender take place on 31st March. The departments submit surrender documents, without any cross-checking of the actual grant position, before the Finance Department and this impropriety result in surrender in excess. The Committee remarked that most of the departments could not comply with the said provision in the Kerala

Budget Manual regarding surrender of savings and it urged the Finance Department to make realistic amendments in the manual in this regard.

23. The Committee evaluated that once the Computerisation in Treasury Department is completed, the accounts could be tracked more effectively and decided to recommend to take urgent steps to complete the same in a time bound manner.

Conclusion/Recommendation

24. The Committee observes that, the administrative departments awaited for the fag end of the year for surrendering unspent balance instead of fulfilling the provision in budget manual regarding the surrender of fund and thereby making the whole procedure mockery. So the Committee recommends that necessary amendments should be brought to the relevant provisions in the budget manual regarding the surrender and also directs to take strict measures to ensure that provisions so modified are strictly complied by all departments.

AUDIT PARAGRAPH

Anticipated savings not surrendered

As per Para 91 of the Kerala Budget Manual, spending departments are required to surrender grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated. At the close of the year 2010-11, there were, however, six grants/appropriations in which savings occurred but no part of which had been surrendered by the concerned departments. The amount involved in these cases was ₹ 128.05 crore (0.8 per cent of the total savings of ₹ 15488.05 crore) the details of which are given in Appendix III(17).

Similarly, out of the total savings of ₹ 3954.62 crore under 27 grants/appropriations with savings of ₹ one crore and above in each grant/appropriation, amounts aggregating ₹ 1419.09 crore (36 per cent of savings) were not surrendered, details of which are given in Appendix III(18). Besides, in 50 cases, (surrender of funds in excess of ₹ 10 crore), ₹ 13793.53 crore [Appendix III(19)] was surrendered on the last two working days of March 2011, indicating inadequate financial control and the fact that these funds could not be utilised for other development purposes.

Rush of expenditure at the end of financial year 2010-11

According to Para 91 (2) of the Kerala Budget Manual, rush of expenditure in the closing month of the financial year should be avoided. Contrary to this, in respect of 46 subheads listed in Appendix III(20), expenditure of ₹ 10 crore and

above and also more than 50 per cent of the total expenditure for the year was incurred in March 2011. Table 2.6 also presents the Major Heads where more than 50 per cent expenditure was incurred either during the last quarter or during the last month of the financial year.

TABLE 2.6: CASES OF RUSH OF EXPENDITURE TOWARDS THE END OF THE FINANCIAL YEAR 2010-11

(₹ in crore)

Sl. No.	Major Head	Total expenditure during the year	Expenditure during the last quarter of the year		Expenditure during March 2011	
			Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	4858-Capital Outlay on Engineering Industries	12.27	12.27	100.00	12.27	100.00
2	4860-Capital Outlay on Consumer Industries	35.79	35.79	100.00	35.79	100.00
3	7053-Loans for Civil Aviation	32.00	32.00	100.00	32.00	100.00
4	4055-Capital Outlay on Police	10.15	10.08	99.31	10.08	99.31
5	2551-Hill Areas	24.34	24.12	99.10	19.24	79.05
6	4515-Capital Outlay on Other Rural Development Programmes	22.49	22.00	97.82	21.27	94.58
7	5051-Capital Outlay on Ports and Light houses	152.14	146.71	96.43	70.76	46.51
8	2801-Power	105.43	99.97	94.82	99.97	94.82

(1)	(2)	(3)	(4)	(5)	(6)	(7)
9	2810-New and Renewable Energy	28.92	26.64	92.12	26.36	91.15
10	4425-Capital Outlay on Co-operation	211.07	183.50	86.94	175.50	83.15
11	2217-Urban Development	373.84	310.11	82.95	246.84	66.03
12	4702-Capital Outlay on Minor Irrigation	27.18	21.54	79.25	16.06	59.09
13	2216-Housing	98.41	77.18	78.43	48.91	49.70
14	4225-Capital Outlay on Scheduled Castes, Scheduled Tribes and Other Backward Classes	72.38	54.98	75.96	27.89	38.53
15	5053-Capital Outlay on Civil Aviation	49.07	37.07	75.55	27.07	55.17
16	5452-Capital Outlay on Tourism	34.61	25.87	74.75	18.93	54.70
17	4405-Capital Outlay on Fisheries	83.98	55.03	65.53	44.64	53.16
18	6860-Loans for Consumer Industries	59.96	37.56	64.80	37.56	64.80
19	4059-Capital Outlay on Public Works	107.52	67.15	62.45	48.67	45.27
20	2245-Relief on Account of Natural Calamities	155.89	97.13	62.31	65.37	41.93
21	2405-Fisheries	207.74	127.41	61.33	117.83	56.72
22	2425-Co-operation	194.91	118.76	60.93	98.47	50.52
23	5054-Capital Outlay on Roads and Bridges	1408.11	843.24	59.88	751.87	53.40
24	2215-Water Supply and Sanitation	388.88	232.21	59.71	202.65	52.11

(1)	(2)	(3)	(4)	(5)	(6)	(7)
25	2501-Special Programmes for Rural Development	33.05	19.61	59.33	12.47	37.73
26	4210-Capital Outlay on Medical and Public Health	98.80	54.42	55.08	38.96	39.43
27	4215-Capital Outlay on Water Supply and Sanitation	113.36	59.00	52.05	29.00	25.58
28	2075-Miscellaneous General Services	606.25	315.39	52.02	239.90	39.57
29	4701-Capital Outlay on Medium Irrigation	109.78	56.57	51.53	31.17	28.39

[Audit Paragraph 2.3.9 & 2.3.10 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2011 (State Finances).]

AUDIT PARAGRAPH

Injudicious Surrender

In Seven Grants/Appropriations, surrender of ₹ 27.01 crore (₹ 10 lakh or more in each case) proved injudicious as there were eventual excesses under these Grants/Appropriations at the close of the financial year. Details are given in Appendix III(21).

Anticipated savings not surrendered

As per Para 91 of the Kerala Budget Manual, spending departments are required to surrender Grants/Appropriations or portions thereof to the Finance Department as and when savings are anticipated. At the close of the year 2011-12, there were, however, 11 Grants/Appropriations in which savings occurred but no part of which had been surrendered by the concerned departments. The amount involved in these cases was ₹ 52.67 crore the details of which are given in Appendix III(22).

Similarly, out of the total savings of ₹ 3209.49 crore under 26 Grants/Appropriations with savings of ₹ 1 crore and above in each Grant/Appropriation, 33 per cent of savings amounts aggregating ₹ 1056.14 crore were not surrendered, details of which are given in Appendix III(23). Besides, in 39 major heads under 26 Grants ₹ 3020.18 crore [Appendix III(24)] was

surrendered on 31 March, 2012 (surrender of funds in excess of ₹ 10 crore in each major head), indicating inadequate financial control and the fact that these funds could not be utilised for other development purposes.

[Audit Paragraph 2.3.9 & 2.3.10 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraphs are included as Appendix II.

25. The Committee wanted to know the steps taken against the controlling officer who failed to surrender the unexpended balance as recommended by Public Accounts Committee (2011-14) in its 31 Report. The Secretary, Finance Department submitted that no action had been taken against those officials. The Committee expressed its anguish over the inertia on the part of the Finance Department in complying with its recommendation and directed the department to take departmental action against the controlling officers who failed to surrender unexpended balance in time during the current financial year and furnish a report in this regard.

Conclusion/Recommendation

26. The Committee reminded that in 31st Report of PAC (2011-14), action was recommended against the controlling officers who failed to surrender unspent balance timely. But it was not seems to be complied with and the practice continued without any interruption. The Committee while expressing its displeasure, urges to furnish the departmental action taken against the controlling officers who repeated the same mistakes during the financial year 2014-15 at the earliest.

AUDIT PARAGRAPH

Rush of expenditure at the end of financial year 2011-12

According to Para 91 (2) of the Kerala Budget Manual, rush of expenditure in the closing month of the financial year should be avoided. Contrary to this, in respect of 57 subheads listed in Appendix III(25), expenditure of ₹ 10 crore and above and also more than 50 per cent of the total expenditure for the year was incurred in March 2012. In 33 Major Heads where more than 50 per cent expenditure was incurred during the last month of the financial year, details are given in Appendix III(26).

[Audit Paragraph 2.3.11 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraph is included as Appendix II.

27. The Committee opined that Chief Minister's review meeting in every quarter would be helpful in avoiding the rush of expenditure at the fag end of the financial year.

Conclusion/Recommendation

No remarks.

AUDIT PARAGRAPH

Unexplained re-appropriations

Para 86 (3) of the Kerala Budget Manual lays down that the authority sanctioning re-appropriations should satisfy himself that the reasons given in the sanctions are full, frank and forthright and are not in vague terms such as 'based on actual requirement', 'based on trend of expenditure', 'expenditure is less than that anticipated', etc. as they have to be incorporated in the Appropriation Accounts which are examined by the Public Accounts Committee of Legislature. However, a test-check of re-appropriation orders relating to 12 Grants issued by the Finance Department revealed that in respect of 559 out of 1835 items (30 per cent), the reasons given for withdrawal of provision/ additional provision in re-appropriation orders were of general nature like 'expenditure is less than anticipated', 'reduced provision is sufficient to meet the expenditure', etc.

[Audit Paragraph 2.3.11 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2011 (State Finances).]

AUDIT PARAGRAPH

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[Audit Paragraph 2.3.12 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraph is included as Appendix II.

28. The Committee found that unexplained proposals for re-appropriation is still being received in Finance Department and decided to recommend that proposals for re-appropriation without proper explanation should not be allowed. It also suggested that if re-appropriation without proper explanation was permitted in any grant under certain unavoidable circumstances, the reason thereof should be intimated to the Accountant General by the concerned administrative department before next August.

Conclusion/Recommendation

29. The Committee recommends that proposal for re-appropriation without proper explanation should not be allowed and if any granted under certain unavoidable circumstances it should be intimated to the Office of the Accountant General by the administrative department concerned before the month of August in the succeeding year.

AUDIT PARAGRAPH

Drawal of funds to avoid lapse of budget grant

As per the provision of Article 40 (c) (7) of the Kerala Financial Code Volume I, a Government Servant should not, on any account, reserve or appropriate by transfer to a deposit or any other head or draw from the treasury and keep in a cash chest, any portion of an appropriation remaining unexpended during the year in order to prevent it from lapsing and use it for expenditure after the end of the year. Funds provided in the budget are for actual expenditure to be incurred during the year and any unspent provision lapses at the close of the financial year. Audit scrutiny revealed that ₹ 307.57 crore was drawn by the departmental officers and deposited them in the Treasury Savings Banks/Treasury Public Accounts or released them to the implementing agencies towards the close of the financial year 2010-11 to prevent them from lapsing. The details are given in Appendix III(27).

The irregular deposit of funds enabled the departments to avoid lapse of budget provision and to bypass budgetary compulsions to spend the amount before the close of the financial year. Further, utilising funds voted for expenditure during a financial year in the subsequent year amounted to bypassing the control of the Legislature over expenditure out of the

Consolidated Fund of the State. Moreover, as the funds drawn were not spent during the financial year, the Government accounts did not reflect the factual position.

[Audit Paragraph 2.3.12 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2011 (State Finances).]

AUDIT PARAGRAPH

Drawal of funds to avoid lapse of budget grant

As per the provision of Article 40 (c) (7) of the Kerala Financial Code Volume I, a Government Servant should not, on any account, reserve or appropriate by transfer to a deposit or any other head or draw from the treasury and keep in a cash chest, any portion of an appropriation remaining unexpended during the year in order to prevent it from lapsing and use it for expenditure after the end of the year. Funds provided in the budget are for actual expenditure to be incurred during the year and any unspent provision lapses at the close of the financial year. Audit scrutiny revealed that ₹ 81.25 crore was drawn by the departmental officers and deposited them in the Treasury Savings Banks/Treasury Public Accounts or released them to the implementing agencies towards the close of the financial year 2011-12 to prevent them from lapsing. Of this, ₹ 1.40 crore drawn (December 2011) by the Director of Handloom and Textiles, Thiruvananthapuram for the intensive campaign to popularize the use of Handloom/Khadi products in the State which could not be utilized due to delay in convening the monitoring committee meeting to draw the implementation programme was deposited in a bank account. Keeping the money outside Government account was irregular. This resulted in under-utilisation of 81 per cent (₹ 1.13 crore) of the fund for nine months (August 2012). The details are given in Appendix III(28).

The irregular deposit of funds enabled the departments to avoid lapse of budget provision and to bypass budgetary compulsions to spend the amount before the close of the financial year. Further, utilising funds voted for expenditure during a financial year in the subsequent year amounted to bypassing the control of the Legislature over expenditure out of the Consolidated Fund of the State. Moreover, as the funds drawn were not spent during the financial year, the Government accounts did not reflect the factual position.

[Audit Paragraph 2.3.13 contained in the Report of the Comptroller and Auditor General of India for the year ended 31st March 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraph is included as Appendix II.

30. The Committee was informed that the practise of withdrawal of unspent balance at the fag end of the financial year to avoid lapse and keeping it in TSB account for expending after the end of financial year is not normally permitted by Government except in cases where such payments are found inevitable for some unavoidable reasons. The Committee opined that though such situation could not be avoided completely, it should be curtailed. It requested the Accountant General to conduct a comprehensive review regarding this trend over a period of time.

Conclusion/Recommendation

31. The Committee directs the Finance Department to curtail the tendency of operating TSB account by the Controlling Officers.

32. The Committee desires that Accountant General should conduct a comprehensive review regarding the trend of drawal of fund at the fag end of the year and keeping it in TSB account over a period of time.

AUDIT PARAGRAPH

Non-reconciliation of departmental figures

Pendency in submission of Detailed Countersigned Contingent bills against Abstract Contingent bills

According to Rule 187 (d) of the Kerala Treasury Code, all contingent claims that require the countersignature of the controlling authority after payment are to be initially drawn by the Drawing and Disbursing Officer (DDO) from the treasury by presenting Abstract Contingent bills in the prescribed form (Form TR 60). Abstract Contingent (AC) bills can be drawn only by an authorised officer for the items of expenditure listed in Appendix 5 to the Kerala Financial Code. The DDO should maintain a register of AC bills and monitor submission of detailed bills there against. The Detailed Contingent (DC) bills in respect of such claims should be submitted to the controlling authority for countersignature not later than the 10th of the month succeeding that to which they relate. The detailed bills pertaining to a month's claim should reach the Principal Accountant General (A&E), Kerala not later than the 20th of the succeeding month.

According to the records maintained by the Principal Accountant General (A&E), Kerala, 31 AC bills drawn by 26 DDOs up to March 2011 involving ₹ 2.64 crore were not adjusted as of June 2011 due to non-receipt of DC bills,

details of which are enumerated in Appendix III(29). Year-wise details are given in Table 2.7. Non-submission of DC bills leads to retention of advance amount drawn with the drawing officer and the advance drawn remains unaccounted under the proper heads of account.

TABLE 2.7: PENDENCY IN SUBMISSION OF DETAILED COUNTERSIGNED CONTINGENT BILLS AGAINST ABSTRACT CONTINGENT BILLS

(₹ in crore)

Year	AC bills		DC bills		DC bills as percentage of AC bills	Outstanding AC bills	
	Number	Amount	Number	Amount		Number	Amount
2009-10	367	5.98	361	4.17	98	6	1.81
2010-11	395	3.52	370	2.69	94	25	0.83
Total		9.50		6.86		31	2.64

Source: Information furnished by Principal Accountant General (A&E).

Unreconciled expenditure

To enable the Controlling Officers of the departments to exercise effective control over expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, Paragraph 74 of the Kerala Budget Manual stipulates that the expenditure recorded in their books should be reconciled by them every month during the financial year with that recorded in the books of the Principal Accountant General (A&E), Kerala. Even though non-reconciliation of departmental figures is being pointed out regularly in CAG's Audit Reports, lapses on the part of the Controlling Officers in this regard continued to persist during 2010-11 also. Ninety-one Controlling Officers did not reconcile expenditure amounting to ₹ 29127.60 crore as of June 2011. In respect of 67 Controlling Officers, amounts exceeding ₹ 10 crore in each case amounting to ₹ 28163.65 crore remained unreconciled during 2009-10. The details are shown in Appendix III(30).

[Audit Paragraph 2.4 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2011 (State Finances).]

AUDIT PARAGRAPH

Non-reconciliation of departmental figures***Pendency in submission of Detailed Countersigned Contingent bills against Abstract Contingent bills***

According to Rule 187 (d) of the Kerala Treasury Code, all contingent claims that require the countersignature of the controlling authority after payment are to be initially drawn by the Drawing and Disbursing Officer (DDO) from the treasury by presenting Abstract Contingent bills in the prescribed form (Form TR 60). Abstract Contingent (AC) bills can be drawn only by an authorised officer for the items of expenditure listed in Appendix 5 to the Kerala Financial Code. The DDO should maintain a register of AC bills and monitor submission of detailed bills there against. The Detailed Contingent (DC) bills in respect of such claims should be submitted to the controlling authority for countersignature not later than the 10th of the month succeeding that to which they relate. The detailed bills pertaining to a month's claim should reach the Principal Accountant General (A&E), Kerala not later than the 20th of the succeeding month. According to the records maintained by the Principal Accountant General (A&E), Kerala, 51 AC bills drawn by 42 DDOs up to March 2012 involving ₹ 3.36 crore were not adjusted as of June 2012 due to non-receipt of DC bills, details of which are enumerated in Appendix III(31). Year-wise details are given in Table 2.6. Non-submission of DC bills leads to retention of advance amount drawn with the drawing officer and the advance drawn remains unaccounted under the proper heads of account.

TABLE 2.6: PENDENCY IN SUBMISSION OF DETAILED COUNTERSIGNED CONTINGENT BILLS AGAINST ABSTRACT CONTINGENT BILLS

(₹ in crore)

Year	AC bills		DC bills		DC bills as percentage of AC bills	Outstanding DC bills	
	Number	Amount	Number	Amount		Number	Amount
2009-10	367	5.98	365	4.58	99	2	1.40
2010-11	395	3.52	388	2.91	98	7	0.61
2011-12	384	4.04	342	2.69	89	42	1.35
Total	1146	13.54	1095	10.18		51	3.36

Source: Information furnished by Principal Accountant General (A&E).

Unreconciled expenditure

To enable the Controlling Officers of the departments to exercise effective control over expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, Paragraph 74 of the Kerala Budget Manual stipulates that the expenditure recorded in their books should be reconciled by them every month during the financial year with that recorded in the books of the Principal Accountant General (A&E), Kerala. Even though non-reconciliation of departmental figures is being pointed out regularly in CAG's Audit Reports, lapses on the part of the Controlling Officers in this regard continued to persist during 2011-12 also. One hundred Controlling Officers did not reconcile expenditure amounting to ₹ 38009.24 crore as of June 2012. In respect of 70 Controlling Officers, amounts exceeding ₹ 10 crore in each case amounting to ₹ 37233.16 crore remained un-reconciled during 2011-12. The details are shown in Appendix III(32).

[Audit Paragraph 2.4 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraph is included as Appendix II.

33. To a query of the Committee the Additional Secretary, Finance Department submitted that the department has been conducting periodical inspection at District Level Offices to monitor reconciliation of accounts. All controlling officers had been requested to take disciplinary action against those officers who found responsible for the pendency and instruction had been given to all departments to send reconciliation certificate to the Accountant General. The Committee accepted the explanation.

Conclusion/Recommendation

No remarks.

AUDIT PARAGRAPH

Advances from Contingency Fund

The Contingency Fund of the State has been established under the Kerala Contingency Fund Act, 1957 in terms of provisions of Article 267 (2) and 283 (2) of the Constitution of India. Advances from the Fund are to be made only for meeting expenditure of an unforeseen and emergent nature, postponement of which, till its authorisation by the Legislature, would be undesirable. The Fund is in the nature of an imprest and its corpus is ₹ 100 crore. Till the close of the

year, a total amount of ₹ 33.92 crore under 2015 Elections (₹ 12.43 crore drawn on 11th March, 2011), 2406 Forestry and Wildlife (₹ 2.49 crore drawn on 30th March, 2011) and under 6216 Loans for Housing (₹ 19 crore drawn on 30th March, 2011) was not recouped to the Fund.

[Audit Paragraph 2.5 contained in the Report of the Comptroller and Auditor General of India for the year ended 31st March, 2011 (State Finances).]

AUDIT PARAGRAPH

Advances from Contingency Fund

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[Audit Paragraph 2.5 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2012 (State Finances).]

Conclusion/Recommendation

No remarks.

AUDIT PARAGRAPH

Review of Selected Grants

A review of budgetary procedure and control over expenditure for 2010-11 conducted during August 2011 relating to 'Grant No. XLII-Tourism' and 'Grant No. XLVI-Social Security and Welfare' revealed the following:

XLII-TOURISM

Persistent Savings

Persistent savings ranging from 34 to 79 per cent of the provision were noticed under the capital section of Grant No. XLII-Tourism during the years 2008-09 to 2010-11.

Delay in sending re-appropriation/surrender proposals

As per paragraph 93(1) of the Kerala Budget Manual, re-appropriation/surrender proposals are to be sent to the Finance Department not later than 25th February of the relevant financial year. However, during 2008-09 to 2010-11, the Director of Tourism sent the re-appropriation/surrender proposals only in the last week of March. Consequently, orders surrendering ₹ 6.12 crore in the revenue section and ₹ 54 lakh in the capital section were issued by the Finance Department only on the last day of the financial year. Such surrenders serve no purpose as the surrendered amounts cannot be used to meet the requirements of any other department. Audit also noticed that only 56 and three per cent of the savings in the revenue and capital section respectively were surrendered indicating that the Director of Tourism had not assessed the actual saving available for surrender even at the close of the financial year.

Delay in utilising central funds

Government of India released the first instalment of ₹ two crore in October 2009 for upgradation of five Food Craft Institutes. The Director of Tourism sent proposals to the Government for providing funds only in September 2010, i.e. after a lapse of nearly a year. Funds were provided only in the last batch of Supplementary demands for grants in March 2011. The amount was drawn on 31st March, 2011 and released to the institutions in April 2011, eighteen months after receipt of Government of India's share. The Director of Tourism stated (August 2011) that the department was not aware of the release of funds by the Government of India in October 2009.

XLVI—SOCIAL SECURITY AND WELFARE

Failure to surrender funds

An amount of ₹ 5.84 crore was provided under the head 2235-02-102-71 (Plan) for the scheme 'Nutrition Programme for Adolescent Girls'. The State Planning Board informed (November 2010) that the scheme was not included in the Annual Plan of 2010-11. Accordingly, the provision should have been surrendered immediately as required in paragraph 91 of the Kerala Budget Manual. But the Director of Social Welfare initiated action to surrender the funds only on 29th March, 2011, after the last date (25th February, 2011) fixed by the Finance Department for receipt of proposals of surrender. This resulted in non-surrender of the savings.

Parking of Central funds in the bank accounts

The Government of India, Ministry of Women and Child Development approved (November 2010) the implementation of a scheme, 'Indira Gandhi Matritva Sahayog Yojana-Conditional Maternity Benefit' on a pilot basis in 52 selected districts across the country. The Government of India also released (January 2011) ₹ 3.58 crore to the State Government as the first instalment of grants-in-aid during 2010-11 for implementation of the scheme in Palakkad district. The scheme, *inter alia*, envisaged conduct of a baseline survey for identification of beneficiaries in the piloted districts to roll out the scheme, cash transfer of ₹ 4,000 per pregnant and lactating women, cash incentive for anganwadi workers and helpers, etc. The Director of Social Welfare drew the entire amount of ₹ 3.58 crore on 31st March, 2011 and deposited it in a Public Sector bank account in order to show utilisation of Central grant during 2010-11 itself. Subsequently, the Director of Social Welfare transferred ₹ 3.50 crore in August 2011 to the Programme Officer, ICDS, Palakkad district by demand draft and the Programme Officer, in turn, distributed (August 2011) the amount to the bank accounts of the Child Development Project Officers of the district which remained unutilised. Further developments were awaited (October 2011).

Drawal of funds to prevent lapse of budget provision

The Director of Social Welfare drew ₹ 7.81 crore on 31st March, 2011 being funds provided in the budget for the year 2010-11 towards implementation of the following programmes under 'Integrated Child Development Services (100 per cent Centrally Sponsored Scheme) and deposited it in treasury savings bank account:—

- (i) Provision of uniform sarees for Anganwadi workers and helpers (₹ 2.58 crore)
- (ii) Provision of pre-school kits for Anganwadi centres (₹ 3.30 crore)
- (iii) Provision of medicine kits to Anganwadi centres (₹ 1.93 crore)

The Director of Social Welfare stated (August 2011) that the funds were transferred to treasury savings bank account in order not to lose the eligible Central assistance during 2010-11 for these schemes. The Director also stated that sanction had since been obtained from the Government for the distribution of sarees through 'HANTEK'. Regarding pre-school kits and medicine kits, the Director stated (August 2011) that supply order had been placed with HLL (a Central Public Sector Undertaking) for medicine kits and tenders for purchase of pre-school kits would be finalised within two months. Thus the entire funds relating to three programmes under a Central scheme remained unutilised in treasury savings bank accounts even after the close of the financial year.

* A state autonomous body.

Non-regularisation of additional authorisation of funds

Paragraph 95(3) of the Kerala Budget Manual provides for additional authorisation of funds by the Administrative Department with the concurrence of the Finance Department in cases not involving 'new service' and where the requirement of funds is urgent and expenditure cannot be postponed till the supplementary grants of next batch are voted. But all such cases are required to be regularised before the close of the financial year by providing additional funds to cover the expenditure either through re-appropriation or by obtaining supplementary grant.

The Finance Department authorized additional expenditure of Rupees one crore in January 2011 invoking paragraph 95(3) of the Kerala Budget Manual under the head of account '2235-60-200-75' for issue of biometric identity cards to all Welfare Pensioners in Kollam district. Though expenditure of ₹ 50 lakh was incurred, the expenditure had not been regularised before the close of the financial year 2010-11. As a result there was uncovered excess expenditure of ₹ 50 lakh under this head of account.

Unnecessary supplementary grants

According to provisions (paragraph 88) in the Kerala Budget Manual, supplementary grants are to be obtained only when the amount authorised by the Annual Appropriation Act to be expended for a particular service for the current financial year is found to be insufficient for the purpose. Hence, non utilisation of the supplementary grants obtained during the year is indicative of the failure on the part of the Chief Controlling Officers, Administrative Departments of the Secretariat and the Finance Department to correctly assess that funds were actually needed. Moreover, if there are anticipated savings under the grant, the additional requirement of funds can be met through re-appropriation of savings except on a 'new service'. Even in this case, only a token provision is enough to satisfy the new service procedure and the balance can be met by re-appropriation.

Under revenue section of 'Grant No. XLVI—Social Security and Welfare', ₹ 169.89 crore was obtained as supplementary grant during 2010-11, whereas the savings under the grant was ₹ 195.05 crore at the close of the year. This indicated that the supplementary grant obtained during 2010-11 was unnecessary as the additional requirement of funds could have been met by re-appropriation of savings under the grant. This showed the failure on the part of Chief Controlling Officers/Administrative Department/Finance Department to monitor the progress of expenditure and to exercise proper control over expenditure.

[Audit Paragraph 2.6 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2011 (State Finances).]

AUDIT PARAGRAPH

Review of Selected Grants

A review of budgetary procedure and control over expenditure for 2011-12 conducted during July-August 2012 relating to 'Grant No. XVIII-Medical and Public Health' and 'Grant No. XXXIII-Fisheries' revealed the following:

XVIII-MEDICAL AND PUBLIC HEALTH**Budget Allocation and Expenditure**

There was only two to three per cent savings under Revenue Section of the Grant during the period 2009-10 to 2011-12. However, under Capital Section the savings ranged between 15 to 28 per cent indicating the deficiency in budgeting process under this section. Though overall Grant did not show substantial savings, persistent savings were noticed under some plan subheads. Details are given in Table 2.7.

TABLE 2.7 : PERSISTENT SAVINGS UNDER PLAN HEADS

(₹ in lakh)

<i>Head of account</i>	<i>Year</i>	<i>Budget allocation</i>	<i>Expenditure</i>	<i>Savings</i>	<i>Percentage of Savings</i>
(1)	(2)	(3)	(4)	(5)	(6)
2210-01-110-83-Mental Health Centre, Kozhikode (Plan)	2009-10	15.00	12.12	2.88	19
	2010-11	30.00	13.35	16.65	55
	2011-12	30.00	8.17	21.83	72
2210-06-003-94-Opening school of nursing at Sasthamkotta, Kollam for SC/ST students (100% CSS) (Plan)	2009-10	38.00	22.76	15.24	40
	2010-11	55.20	24.70	30.50	55
	2011-12	24.90	20.65	4.25	17
2210-06-101-99-National Malaria Eradication Programme (50% CSS) (Plan)	2009-10	70.00	51.53	18.47	26
	2010-11	140.00	71.71	68.29	48
	2011-12	140.00	70.62	69.38	49
2210-06-101-97-Filariasis Control (50% CSS) (Plan)	2009-10	70.00	46.99	23.01	32
	2010-11	110.00	63.26	46.74	42
	2011-12	110.00	43.52	66.48	60

(1)	(2)	(3)	(4)	(5)	(6)
2210-05-105-93-Dental College, Kozhikode (Plan)	2009-10	50.00	33.81	16.19	32
	2010-11	60.00	47.72	12.28	20
	2011-12	70.00	26.80	43.20	62
2210-05-001-96-Modernisation and computerization of Directorate of Ayurvedic Education-Publication Division and Continuing Medical Education (Plan)	2009-10	100.00	11.82	88.18	88
	2010-11	85.00	35.29	49.71	58
	2011-12	100.00	12.78	87.22	87

Source: Detailed Appropriation Accounts for 2009-10 to 2011-12.

During the year 2011-12 substantial savings were noticed under 18 subheads, details of which are given in Appendix III(33). Persistent occurrence of huge savings indicated deficient control in the budgeting process existed in the department.

Unnecessary supplementary grants

As per paragraph 88 of the Kerala Budget Manual supplementary grant is to be obtained only in cases where expenditure cannot be postponed to the next financial year and in cases where expenditure has to be incurred during the year. An analysis of the utilisation of the supplementary grant obtained under Revenue (voted) section for the last three years (2009-10 to 2011-12) revealed that supplementary grants obtained in March 2012 could have been avoided or limited to token provision as the final saving was more than the supplementary grant obtained.

TABLE 2.8 : EXCESSIVE OF SUPPLEMENTARY GRANTS

(₹ in crore)				
Year	Original grant	Total Supplementary grant	supplementary grant obtained in March	Final Savings
2009-10	1433.82	69.64	65.14	46.03
2010-11	1730.58	68.24	53.57	37.07
2011-12	2406.39	171.32	32.06	100.66

Source: Detailed Appropriation Accounts for 2009-10 to 2011-12.

Instances were also noticed where supplementary grant obtained under certain subheads remained unutilised during 2011-12 are shown below:

TABLE 2.9 : UNNECESSARY SUPPLEMENTARY GRANTS IN CERTAIN SUBHEADS

(₹ in crore)

Head of account	Original provision	Supplementary provision	Total Grant	Expenditure	Saving
2210-05-105-96 (NP)	62.84	2.50	65.34	55.86	9.48
2210-05-105-42 (NP)	4.32	0.20	4.52	4.32	0.20
2210-05-105-20 (NP)	1.68	0.48	2.16	1.62	0.54
4210-02-110-86 (P)	Nil	6.00	6.00	Nil	6.00

Source: Detailed Appropriation Accounts for 2011-12.

It is evident from the above table that supplementary grants obtained in the subheads were without assessing the actual requirement. Final savings in excess of the supplementary grants obtained indicated that demand for supplementary grants was made without assessing actual requirement of additional funds under individual heads and availability of funds in other heads for re-appropriation.

Reduction/re-appropriation without ensuring availability

According to paragraph 84 (3) of Kerala Budget Manual, if the appropriation under a unit is reduced by re-appropriation or resumption, the expenditure debitable to the unit should be restricted to the reduced appropriation. However, it was noticed that allotment under several subheads for the year 2011-12 was reduced and later excess expenditure was incurred as detailed below:

TABLE 2.10 : RE-APPROPRIATION OF FUNDS WITHOUT ENSURING AVAILABILITY

(₹ in crore)

Sl. No.	Head of account	Total Grant	Re-appropriation	Total	Expenditure	Excess expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	2210-01-102-98 (NP)	100.92	(-)24.54	76.38	77.47	1.09
2	2210-01-110-98 (NP)	39.80	(-)3.64	36.16	43.73	7.57

(1)	(2)	(3)	(4)	(5)	(6)	(7)
3	2210-05-001-99 (NP)	4.21	(-)0.48	3.73	4.22	0.49
4	2210-06-800-85 (P)	1.00	(-)0.51	0.49	0.84	0.35
5	2210-05-105-97 (P)	3.01	(-)0.53	2.48	2.83	0.35
6	2210-05-105-92 (NP)	9.89	(-)0.30	9.59	10.65	1.06

Source: Detailed Appropriation Accounts for 2011-12.

Unreconciled expenditure

According to paragraph 74 of Kerala Budget Manual all Controlling Officers should reconcile the departmental figures of expenditure with the books of Principal Accountant General (A&E) and treasury and forward monthly reports regarding reconciliation to Government. Reconciliation of Departmental figures of expenditure with that booked by Principal Accountant General (A&E) is necessary to ensure accuracy of accounts and also to detect misclassification, fraud, defalcation etc. in time. Significant unreconciled variation between departmental figures and accounts figures have been noticed under the following heads:

TABLE 2.11 : VARIATIONS IN BOOKED FIGURES

(₹ in lakh)			
Head of Account	Departmental figure	Figure booked by AG	Difference
2210-06-101-59 (P)	0.78	2.51	1.73
2210-06-101-68 (P)	0.26	0.31	0.05
2210-06-800-86 (P)	18.93	0	18.93
2210-05-105-74 (P)	1.31	1.25	0.06
2210-02-102-98 (P)	0.28	0.27	0.01

Source: Detailed Appropriation Accounts for 2011-12 and data from department.

Non-reconciliation of figures is fraught with risk of misclassification, fraud, defalcation, etc. remaining unnoticed in time.

Belated surrender/re-appropriation

According to paragraph 93 (1) of Kerala Budget Manual the proposals for re-appropriation and surrender should reach Finance Department not later than 25th February every year. But the Director of Health Services, Director of Medical

Education and Director of Indian Systems of Medicine submitted the proposals for surrender of funds to Government on 31st March which resulted in non-allocation of funds to the needy departments.

Overstated expenditure

Financial Rules prohibit drawal of money from treasury unless it is required for immediate disbursement. However, it was noticed that funds were drawn and kept in Treasury Savings Bank account or kept outside the Government without being spent. This has resulted in overstatement of the total expenditure of the Grant as the amount remained unutilised even after the close of financial year. Instances are detailed below:

The Director of Health Services drew ₹ 6.50 crore towards the implementation of two schemes viz. Special Support Schemes for patients suffering from cancer, heart and kidney diseases (₹ 5 crore) and Grant-in-aid to society for medical assistance to the Poor (₹ 1.5 crore). No part of the amount was utilised as of August 2012 and the amount remained deposited in the treasury savings bank account. In response to audit remarks it was stated that non-implementation of the scheme was due to the delay in getting confirmation letter of treatment and proper receipts from the patients.

Grant No. XXXIII—FISHERIES

Funds required for the development and management of Fisheries Sector is provided under this Grant. Director of Fisheries and Chief Engineer of Harbour Engineering department are the Chief Controlling Officers operating this Grant. Review of budget allocation and expenditure for the last three years (2009-2012) revealed that there was persistent savings ranged between 14 to 19 per cent under Capital Section of the Grant.

Reduction/re-appropriation without ensuring availability

According to paragraph 84 (3) of Kerala Budget Manual, if the appropriation under a unit is reduced by re-appropriation or resumption, the expenditure debitable to the unit should be restricted to the reduced appropriation. However it was noticed that allotment under several subheads for

the year 2011-12 was reduced and later excess expenditure was noticed under that unit/head as detailed below:

TABLE 2.12 : RE-APPROPRIATION OF FUNDS WITHOUT ENSURING AVAILABILITY

(₹ in lakh)

Sl. No.	Head of account	Original	Re-appropriation	Total	Expenditure	Excess expenditure
1	2405-00-101-97 (NP)	134.36	(-) 6.08	128.28	147.30	19.02
2	2405-00-101-96 (NP)	17.25	(-)12.61	4.64	8.48	3.84
3	2405-00-103-99 (NP)	488.06	(-)117.89	370.17	410.70	40.53
4	2405-00-109-99 (NP)	46.24	(-)16.09	30.15	38.24	8.09
5	2405-00-800-97 (NP)	54.34	(-)17.82	36.52	42.01	5.49
6	2405-00-800-98 (NP)	48.91	(-)17.91	31.00	34.50	3.50
7	2405-00-800-86 (P)	300.00	(-)23.92	276.08	277.58	1.50

Source: Detailed Appropriation Accounts for 2011-12.

Unreconciled expenditure

According to paragraph 74 (1) of Kerala Budget Manual all Controlling Officers should reconcile the departmental figures of expenditure with the books of Principal Accountant General (A&E)/treasury and forward monthly reports regarding reconciliation to Government. Reconciliation of Departmental figures of expenditure with that booked by Principal Accountant General (A&E) is necessary to ensure accuracy of accounts and also to detect misclassification,

fraud, defalcation etc. in time. Significant variation between unreconciled departmental figures and accounts figures has been noticed under the following heads:

TABLE 2.13 : VARIATIONS IN BOOKED FIGURES

(₹ in lakh)

<i>Head of Account</i>	<i>Departmental figure</i>	<i>Figure booked by AG</i>	<i>Difference</i>
2405-00-101-66 (P)	400.00	385.00	15.00
2405-00-103-94 (P)	24.79	22.29	2.50
4405-00-104-97 (P)	7.95	11.22	3.27

Source: Detailed Appropriation Accounts for 2011-12 and data from department.

Non-reconciliation of figures is fraught with risk of misclassification, fraud, defalcation, etc. remaining unnoticed in time.

Overstated expenditure

Financial Rules prohibit drawal of money from treasury unless it is required for immediate disbursement. However, it was noticed that funds disbursed to various agencies during 2011-12 for implementation of various programmes in fisheries sector remained unutilised as of August 2012. Instances of amounts booked as expenditure in accounts, but blocked up with implementing agencies are as follows:

- During the year 2011-12, the Director of Fisheries had drawn and disbursed an amount of ₹1.64 crore to Chief Engineer, Harbour Engineering Department for execution of four* works. Audit noticed that no amount was incurred so far (August 2012).
- An amount of ₹ 28.94 crore was drawn by the Director of Fisheries during September 2011 to March 2012 and disbursed to Kerala State Coastal Area Development Corporation Limited (KSCADC) for execution of 20 works. KSCADC has utilised ₹ 0.31 crore for these works and balance of ₹ 28.63 crore remained unutilised as of August 2012.

Thirteenth Finance Commission has awarded an amount of ₹ 200 crore to the State Government for development in fisheries sector to be implemented during 2011-2015. During 2011-12 ₹ 50 crore was provided in the budget for

* (i) Construction of Fishermen Hospital at Udayanapuram, Vaikom, (ii) Construction of compound wall to the Hatchery at Neyyar Dam, (iii) Construction of awareness centre at Pannivelichira and (iv) Construction of building for Fisheries Technical School at Bepore.

development of Model Fishing Villages and setting up of Fish Marketing centres. The Director of Fisheries allotted (December 2011) ₹ 45 crore to nine Deputy Directors for implementation of the scheme and disbursed ₹ 5 crore to KSCADC for implementation of the scheme in Kozhikode district. Audit scrutiny revealed that ₹ 45 crore drawn by nine Deputy Directors were not utilized and kept in Treasury Savings Bank Account. Similarly ₹ 5 crore released by the Director of Fisheries to KSCADC was also not utilised (July 2012).

[Audit Paragraph 2.6 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraph is included as Appendix II.

34. The Committee chided the Finance Department for sanctioning supplementary grants without proper analysis and directed to furnish a report detailing the supplementary grants sanctioned for the last 3 years.

Conclusion/Recommendation

35. The Committee directs the Finance Department to furnish a report on the supplementary grant sanctioned during the last three years.

AUDIT PARAGRAPH

Errors in budgeting

According to provisions of the Kerala Budget Manual (Paragraph 14), the budget estimates should always receive careful personal attention of the officers who submit them and should be as accurate as practicable. The estimates submitted by the Departments are scrutinized by the Administrative and the Finance Departments also to ensure their reasonableness and accuracy before presentation to the Legislature. The instances of unnecessary provision of funds and omission to provide required funds have been noticed during audit. A few significant cases are mentioned below:

- (a) An amount of ₹ 43.75 crore was provided under the head of account '4711-02-102-92-Priority schemes under Thirteenth Finance Commission Award' in Grant No. XXXVIII—Irrigation. The Thirteenth Finance Commission had not awarded any grant for such schemes and consequently no expenditure was incurred. Though the funds were wrongly provided, the provision was not surrendered till the close of the financial year.
- (b) A sum of ₹ 40 crore was provided in the Budget under the head of account '2230-01-800-99-Rashtriya Swasthya Bima Yojana', under Grant No. XXIV—Labour and Labour Welfare for implementing the

Centrally Sponsored Scheme. This included Government of India share of ₹ 30 crore and State Government's matching share of ₹ 10 crore. As the Government of India's share was being released directly to the implementing agency* by the Government of India, no provision was required to be made in the State budget for the Central share. The funds wrongly provided were retained till the last day of the financial year and were surrendered on 31st March, 2011.

- (c) An amount of ₹ 6.25 crore was provided under the head of account '2205-103-86-Priority schemes' under the Thirteenth Finance Commission Award in Grant No. XVII—Education, Sports, Art and Culture. As the Thirteenth Finance Commission did not award any grant for such a scheme, the entire provision was surrendered.
- (d) Subventions from Central Road Fund are released by the Government of India as grants to State Governments for incurring expenditure on schemes of road development approved by the Government of India. The amounts so received are to be transferred to the reserve fund 'Subvention from Central Road Fund' by debit to the head of account '3054-05-797-99'. Though provision for the transfer of grant received is to be made every year in the budget, there was omission to make necessary provision in the budget for 2010-11. Consequently, on transfer of ₹ 81.34 crore received from the Government of India to the reserve fund, there was uncovered excess expenditure of an equivalent amount under the head of account '3054-05-797-99' as there was no budget provision to cover the expenditure.

The above mentioned cases indicate that Departmental budget estimates were not prepared by the department with due care and attention and that scrutiny by the Administrative and the Finance Departments of the departmental proposals were inadequate to detect even the errors and omissions involving large amounts in the proposals.

[Audit Paragraph 2.7 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2011 (State Finances).]

AUDIT PARAGRAPH

Errors in budgeting

According to provisions of the Kerala Budget Manual (Paragraph 14), the budget estimates should always receive careful personal attention of the officers

* Comprehensive Health Insurance Agency of Kerala.

who submit them and should be as accurate as practicable. The estimates submitted by the Departments are scrutinized by the Administrative and the Finance Departments also to ensure their reasonableness and accuracy before presentation to the Legislature. The instances of omission to provide required funds and wrong classification of expenditure have been noticed during audit. A few significant cases are mentioned below:

(a) Subventions from Central Road Fund are released by the Government of India as grants to State Governments for incurring expenditure on schemes of road development approved by the Government of India. The amounts so received are to be transferred to the reserve fund 'Subvention from Central Road Fund' by debit to the head of account '3054-05-797-99'. Though provision for the transfer of grant received is to be made every year in the budget, there was omission to make necessary provision in the budget for 2011-12. Consequently, on transfer of ₹ 4.44 crore received from the Government of India to the reserve fund, there was uncovered excess expenditure of an equivalent amount under the head of account '3054-05-797-99' as there was no budget provision to cover the expenditure. No budget provision was made in the year 2010-11 also, to transfer the Government of India grant received resulting in uncovered excess expenditure to the tune of ₹ 81.34 crore.

(b) Special Development fund for MLAs was constituted in 2001 on the pattern of MP Local Area Development (MPLAD) Scheme for creation of assets for public use at large. Right from the inception of the Scheme, the expenditure was classified under the Revenue Section of the Government Accounts. However, during the current year ₹ 143.50 crore was provided under the Capital Section and an expenditure of ₹ 142.75 crore has been booked as expenditure under the scheme. As the assets created do not wholly belong to Government, there is no justification for capitalizing the expenditure under MLA fund. As the Special Development Fund for MLAs was constituted in line with MPLAD Scheme, classification of expenditure under MLA fund different from MPLAD Scheme needs to be reconsidered (expenditure of MPLAD Scheme is classified under Revenue Section-Major head 2553-MPs Local Area Development Scheme). Specific reasons changing the accounting classification from the Revenue Section to the Capital Section (2075-800-28 to 4250-800-99) for accounting transactions under Special Development fund for MLAs have not been furnished by Government (September 2012). Consequent on this wrong classification revenue expenditure and revenue deficit of the State Government is understated by ₹ 142.75 crore. The above mentioned cases indicate that Departmental budget estimates were not prepared by the department with due care and attention and that scrutiny of the departmental proposals by the Administrative and the

Finance Departments were inadequate to detect even the errors and omissions involving large amounts in the proposals.

[Audit Paragraph 2.7 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraph is included as Appendix II.

36. Regarding the audit paragraph, the Committee was of the opinion that the objection of the Accountant General about the classification of MLA fund in the capital section is not substantial. It remarked that irrespective of MP funds which is a grant given to State Government, MLA fund would be allotted to District Collectors who in turn disburse the amount to the implementing officer. The Secretary, Finance Department deposed that since the fund is used for public utility at large, the present system of providing funds under capital sector is justifiable.

Conclusion/Recommendation

No remarks.

AUDIT PARAGRAPH

Failure in appropriation control

The amount authorized by the Legislature through the original budget and the supplementary grant for July 2010 in the Capital portion of 'Grant No. XXI-Housing' was ₹ 48.71 crore. One of the conditions prescribed for issue of additional authorization under the provisions of KBM is that the grant as a whole should not be exceeded before supplementary grant has been made by the Legislature to cover the additional authorization. It was, however, noticed that the Finance Department issued (September 2010) a sanction authorizing additional expenditure of ₹ 71.37 crore under the head of account '4216-80-800-98-Additional Central Assistance-Tsunami (Housing)' invoking paragraph 95 (3) of the Kerala Budget Manual (KBM). This resulted in the grant being exceeded during the period October 2010 to February 2011 before additional funds were obtained through supplementary grant in March 2011.

[Audit Paragraph 2.8 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2011 (State Finances).]

Conclusion/Recommendation

No remarks.

AUDIT PARAGRAPH**Outcome of inspection of treasuries**

There were 23 District Treasuries, 186 subtreasuries and 12 Stamp depots in the State as of March 2011. The Principal Accountant General (A&E), Kerala inspected 166 treasuries (District Treasuries: 23; subtreasuries: 131, Check post treasury: 4 and One-man treasury: 8). Some of the irregularities and deficiencies noticed in the functioning of treasuries are mentioned in the succeeding paragraphs.

Excess payment of pension

There was excess payment of pension/family pension amounting to ₹ 58.49 lakh in 687 cases in 99 treasuries (including 12 district treasuries) during 2010-11. The main reasons for excess payments were errors in calculation of revised pension, non-reduction of family pension after expiry of authorised period, payment of ineligible festival allowance, medical allowance and incorrect calculation of dearness relief. Out of the excess payment of ₹58.49 lakh, treasuries* recovered ₹ 11.69 lakh and the balance amount of ₹ 46.80 lakh remained to be recovered as of March 2011.

Mustering of pensioners

In terms of Rule 280 (a) of the Kerala Treasury Code Vol. I, the Treasury Officer should conduct mustering of pensioners annually in the case of pensioners/family pensioners/Pension Treasury Savings Bank Account holders and once in three years, where payment of pension is made through money orders. These provisions are made to prevent fraudulent payments. However, in 336 cases, in 77 treasuries as listed in Appendix III(34), mustering of pensioners was pending for two to three years.

[Audit Paragraph 2.9 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2011 (State Finances).]

AUDIT PARAGRAPH**Outcome of inspection of treasuries**

There were 23 District Treasuries, 190 subtreasuries and 12 Stamp depots in the State as of March 2012. The Principal Accountant General (A&E), Kerala inspected 147 treasuries (District Treasuries: 23; subtreasuries: 110, Stamp depots: 12, Check post treasury: 1 and One-man treasury: 1). Irregularities and deficiencies noticed during the audit of treasuries are mentioned in the succeeding paragraphs.

* 40 treasuries have recovered the full amount and in respect of other treasuries recovery has been made partly.

Excess payment of pension

There was excess payment of pension/family pension amounting to ₹ 88.15 lakh in 1148 cases in 90 treasuries (including 12 district treasuries) during 2011-12. The main reasons for these excess payments were errors in calculation of revised pension, continuance of family pension after expiry of authorized period, non-deduction of commuted value from basic pension, payment of ineligible festival allowance, medical allowance to family pensioners who are also in receipt of regular pension, and incorrect calculation of dearness relief. Out of the excess payment of ₹ 88.15 lakh, treasuries recovered ₹ 28.23 lakh and the balance amount of ₹ 59.92 lakh remained to be recovered as of March 2012.

Mustering of pensioners

In terms of Rule 280 (a) of the Kerala Treasury Code Vol. I, the Treasury Officer should conduct mustering of pensioners annually in the case of pensioners/family pensioners/Pension Treasury Savings Bank Account holders and once in three years, where payment of pension is made through money orders. These provisions are made to prevent fraudulent payments. However, in 271 cases, in 85 treasuries as listed in Appendix III(35), deficiency in mustering of pensioners was noticed.

[Audit Paragraph 2.8 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (State Finances).]

Notes furnished by the Government on the above audit paragraph is included as Appendix II.

37. To a query of the Committee the witness, Director of Treasuries submitted that the excess payment was due to the error occurred in pension calculation both by Treasury and Accountant General. He added that out of the total accumulated figure ₹ 118.77 lakh was recovered and the balance amount of ₹ 10.39 lakh was decided to recover from the pensioners in equal installments. He was optimistic that such mistakes could be avoided by the completion of computerisation. To a query of the Committee he replied that Revenue Recovery steps would be initiated against the nominee of the deceased pensioners. The Committee remarked that initiating RR proceedings against the nominee of the deceased pensioner for realising excess amount due to erroneous calculation is not justifiable.

Conclusion/Recommendation

38. The Committee observes that initiating Revenue Recovery action against the nominees of the deceased pensioners for realizing excess amount

due to erroneous calculation is not tenable and directs the Finance Department to check the feasibility of exempting nominees from RR proceedings in similar cases.

AUDIT PARAGRAPH

CONCLUSION

The overall savings of ₹ 15487.90 crore were the net result of savings of ₹ 15488.05 crore, set-off by excess of ₹ 15 lakh. The excess expenditure requires regularisation of the State Legislature. In 25 cases, ₹ 870.47 crore was surrendered against the actual savings of ₹ 789.17 crore, which resulted in excess surrender of ₹ 81.30 crore. Expenditure to the extent of ₹ 29127.60 crore was not reconciled with the figures of Office of the Principal Accountant General (A&E), Kerala. Anticipated savings of ₹ 13793.53 crore were surrendered on the last two working days of the financial year. There was rush of expenditure of more than 50 per cent under 29 major heads.

RECOMMENDATIONS

The Government should ensure that:

- Ø all the departments submit realistic budget estimates, keeping in view the trends of expenditure and the actual requirement of funds in order to avoid large savings/excesses;
- Ø all departments closely monitor the expenditure against the allocations and incurring of excess expenditure over the grants is strictly avoided; and
- Ø surrender of funds are made much before the last working day of the closing year so as to enable the Government to utilise the funds on other schemes.

[Audit Paragraphs 2.10 and 2.11 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2011 (State Finances).]

AUDIT PARAGRAPH

CONCLUSION

Against the total provision of ₹ 64271.36 crore the expenditure was ₹ 54414.63 crore, which led to a saving of ₹ 9856.73 crore (15 per cent). An excess of ₹ 771.01 crore was also incurred under 17 Grants/Appropriation, requiring regularization under Article 205 of the Constitution. An excess expenditure of ₹ 333.74 crore was not regularized so far. While supplementary

provision of ₹ 793.63 crore obtained in 22 cases was unnecessary, re-appropriation of funds in 127 cases was made injudiciously resulting in either unutilized provision or excess over provision. In 39 cases, ₹ 3020.18 crore was surrendered on the last day of the financial year. Even though non-reconciliation of departmental figures is being pointed out regularly in CAG's Audit Reports, during 2011-12 also one hundred Controlling Officers did not reconcile expenditure amounting to ₹ 38009.24 crore as of June 2012. There was persistent excess under the head of account '3054-05-797-99-Transfer to Deposit Head-Subventions from Central Road Fund' due to non-provision of budget allocation. Expenditure of ₹ 142.75 crore under 'Special Development Fund for MLAs' due to defective provision of funds under Capital Section instead of under Revenue Section of the accounts during 2011-12, resulted in understatement of revenue deficit to that extent.

RECOMMENDATIONS

Following recommendations are made after analyzing budgetary process and expenditure of the State during 2011-12:

- budgetary control should be exercised in all the departments to avoid cases of budget provision remaining unutilized;
- expenditure in excess of budget allocation should be avoided;
- excessive/unnecessary supplementary grant and injudicious re-appropriation of funds should be avoided; and
- instructions should be issued to all departmental officers to complete the reconciliation of departmental figures with that booked by the Principal Accountant General (A&E), before the close of accounts of each year.

[Audit Paragraphs 2.9 and 2.10 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (State Finances).]

Conclusion/Recommendation

No remarks.

Thiruvananthapuram,
30th June, 2015.

745/2015.

DR. T. M. THOMAS ISAAC,
Chairman,
Committee on Public Accounts.

APPENDIX I

SUMMARY OF MAIN CONCLUSION/RECOMMENDATION

<i>Sl. No.</i>	<i>Para No.</i>	<i>Department concerned</i>	<i>Conclusion/Recommendation</i>
(1)	(2)	(3)	(4)
1	3	Finance	The Committee admonishes that none of the administrative departments maintain the financial discipline; they incur either persistent savings or excess expenditure. It evaluates that the instructions issued from Finance Department in this regard are not sufficient to curtail such practices. It urges that Finance Department should ascertain the reason for the non-utilization of funds and should seek for clarification for the irregular expenditure on the part of the controlling officers of the administrative departments.
2	7	"	The Committee urges the Finance Department to check whether prevailing financial procedures cause undue delay in expending the allocation in time.
3	8	"	The Committee recommends that the expenditure and savings of previous years should be taken into account while formulating the budget estimates for the succeeding years.
4	9	"	The Committee analyses that the circulars issued by Finance Department have no impact in financial discipline. So it demands that progressive expenditure of budget allocation should be reviewed at the end of each quarter by conducting meetings presided over by Chief Minister.

(1)	(2)	(3)	(4)
5	10	Finance	The Committee reiterates its earlier recommendation that the practice of drawal of unspent balance of plan allocation to show it as expenditure should not be entertained.
6	11	"	It recommends that inevitable expenditure to be incurred in succeeding year should be listed by administrative departments and proposals for the same should be included in the succeeding year's budget.
7	14	"	The Committee directs the Finance Department to take immediate action to regularise excess expenditure incurred by various departments at the earliest.
8	17	"	The Committee recommends the Finance Department to take a proactive role in interacting with the departments regarding the proposals declared through budget speech and to ensure that concerned administrative department move for the proposal for opening the new service reciprocal to the budget declaration.
9	18	"	The Committee also directs that Finance Department should be vigilant in providing a token provision for the budget proposal in the second SDG and the additional amount required in this regard should be met through re-appropriation of surplus from other minor heads pertaining to the department.

(1)	(2)	(3)	(4)
10	21	Finance	The Committee urges the Finance Department to submit a list of projects declared during the last 5 years incorporating the reason for not starting the project.
11	24	"	The Committee observes that, the administrative departments awaited for the fag end of the year for surrendering unspent balance instead of fulfilling the provision in budget manual regarding the surrender of fund and thereby making the whole procedure mockery. So the Committee recommends that necessary amendments should be brought to the relevant provisions in the budget manual regarding the surrender and also directs to take strict measures to ensure that provisions so modified are strictly complied by all departments.
12	26	"	The Committee reminded that in 31st Report of PAC (2011-14), action was recommended against the controlling officers who failed to surrender unspent balance timely. But it was not seems to be complied with and the practice continued without any interruption. The Committee while expressing its displeasure, urges to furnish the departmental action taken against the controlling officers who repeated the same mistakes during the financial year 2014-15 at the earliest.
13	29	"	The Committee recommends that proposal for re-appropriation without proper explanation should not be

(1)	(2)	(3)	(4)
			<p>allowed and if any granted under certain unavoidable circumstances it should be intimated to the Office of the Accountant General by the administrative department concerned before the month of August in the succeeding year.</p>
14	31	Finance	<p>The Committee directs the Finance Department to curtail the tendency of operating TSB account by the Controlling Officers.</p>
15	32	"	<p>The Committee desires that Accountant General should conduct a comprehensive review regarding the trend of drawal of fund at the fag end of the year and keeping it in TSB account over a period of time.</p>
16	35	"	<p>The Committee directs the Finance Department to furnish a report on the supplementary grant sanctioned during the last three years.</p>
17	38	"	<p>The Committee observes that initiating Revenue Recovery action against the nominees of the deceased pensioners for realizing excess amount due to erroneous calculation is not tenable and directs the Finance Department to check the feasibility of exempting nominees from RR proceedings in similar cases.</p>

APPENDIX II

Notes furnished by Government

**STATEMENT OF ACTION TAKEN ON PARA 2.3 OF THE COMPTROLLER AND AUDITOR GENERAL
REPORT OF THE YEAR ENDED 31st MARCH 2011 ON STATE FINANCES.**

Sl. No.	Para No.	Audit Observation	Action Taken
1	2.3.1	<p>The outcome of appropriation audit reveals that in 16 cases savings exceeded Rs.10 crore and also by more than 20% of total provision. Against the total savings of Rs.13584.08 crore, savings of Rs.13449.10 crore (99%) occurred in 11 cases relating to 10 grants and one appropriation. Savings exceeded Rs.50 crore in the following cases:</p> <ol style="list-style-type: none"> 1. Grant No.XIV – Stationery and Printing and other Administrative Services (Revenue Voted) 2. Grant No.XX – Water Supply and Sanitation (Revenue Voted) 3. Grant No.XXI – Housing (Revenue Voted) 4. Grant No.XXII – Urban Development (Revenue Voted) 5. Grant No.XXXVI – Community Development (Revenue Voted) 6. Grant No.XV – Public Works (Capital Voted) 7. Grant No.XX – Water Supply and Sanitation (Capital Voted) 8. Grant No.XXIX – Agriculture (Capital Voted) 9. Grant No.XXXVIII – Irrigation (Capital Voted) 10. Grant No.XLI – Transport (Capital Voted) 11. Public Debt Repayment – (Capital Voted) 	<p>All Heads of Departments/Chief Controlling Officers were given Circular instructions from this department every year to furnish complete reason for savings/excess while forwarding final re-appropriation/resumption proposal. In Circular No.15/2012/F/in dated 15.03.2012 instruction were issued last.</p>

2	2.3.2	In 10 cases there were persistent savings in excess of Rs.50 lakh in each case and also 20% or more of the provision for the last three years. (Urban Development, Education, Sports Arts and Culture, Water Supply and Sanitation, Welfare of SC/ST and OBC, Agriculture, Animal Husbandry, Forest, Irrigation, Tourism, Public Debt Re-payment)	Finance Department issued directions to all the Head of Departments/Chief Controlling Officers to take strict measures to avoid the excess expenditure over Voted Grant/Charged appropriation vide Circular No.59/2009/Fin dated 23.07.2009.
3	2.3.3	The Appropriation Accounts disclosed excess expenditure of Rs.15 lakh over the authorization from the Consolidated Fund of the State during 2010-11 in one grant and two appropriations. This excess expenditure of Rs.15 lakh required regularization under Article 205 of the Constitution for 1. Grant XII - Police - 14 lakhs 2. XXIX - Agriculture - 1 lakh	All Drawing and Disbursing Officers were given Circular instructions from this department every year to take that advance drawal in the form of cash, Demand draft by transfer credit to treasury deposits by Drawing and Disbursing Officers, Heads of Departments etc. will not be permitted. In the Circular No.17/11/Fin dated 07.03.2011 latest instructions were issued.
4	2.3.6	Re-appropriation is transfer of funds within a grant from 1 unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. There were excess/savings of more than Rs.2 crore in 102 sub heads even after re-appropriation. Reasons for variations were not furnished by the department/Government.	Finance Department issued directions to all Chief Controlling Officers that in the proposals for supplementary grants has to be prepared judicious with utmost ease and caution so as to ensure that such supplementary grant are inevitable for the purpose they are proposed to be obtained vide Circular No.32/2009/Fin dated 23.04.2009.
5	2.3.7	Substantial surrenders (where more than 50 percent of the total provisions were surrendered) were made in respect of 252 subheads on account of either non-implementation or slow implementation of plan schemes/programmes. Out of the total provision amounting to 2360.02 crore in these 252 subheads, Rs.1802.65 crore (76 percent) was surrendered, which included cent per cent surrender in 53 subheads.	All Heads of Departments/Chief Controlling Officers were given Circular instructions from this department every year to furnish complete reason for savings/excess while forwarding final re-appropriation/resumption proposal. In Circular No.19/2011/Fin dated 08.03.2011 instruction were issued last.
6	2.3.8	In 25 cases (Grants) the amounts surrendered (Rs.50 lakh or more in each case) was in excess of the actual savings indicating lack of or inadequate budgetary control. As against savings of 789.17 Crores, the amount surrendered was 870.47 Crore resulting in excess surrender of Rs.81.30 Crore.	All Heads of Departments/Chief Controlling Officers were given Circular instructions from this department every year to furnish complete reason for savings/excess while forwarding final re-appropriation/resumption proposal. In Circular No.19/2011/Fin dated 08.03.2011 instruction were issued last.

7	2.3.9	As per para 91 of Kerala Budget Manual, spending departments are required to surrender grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated. At the close of the year 2010-11, there were, however, 6 Grants/Appropriations in which savings occurred but no part of which had been surrendered by the concerned departments. The amount involved in these cases was Rs.128.05 crore (0.8% of the total savings of Rs.15488.05 crore).	As per G.O.(P)351/2008/Fin dated 06.08.2008 issued instructions for the constitution of 'Special Working Groups' is constituted to grant Administrative Sanction for new schemes in the Annual Plan document/continuing schemes with derivations with outlays exceeding Rs.3 crore to ensure speedy financial clearances and sanction and also effective financial servicing by this department.
8	2.3.10 2.3.11	According to para 91(2) of the Kerala Budget Manual, rush of expenditure in the closing month of financial year should be avoided. Contrary to this in respect of 46 subheads, expenditure of Rs.10 crore and above and also more than 50% of the total expenditure was incurred in March 2011. A Test Check of re-appropriation orders relating to 12 Grants issued by Finance Department revealed that in respect of 559 out of 1835 items (30%) the reasons given for withdrawal of provision/additional provision in re-appropriation orders were of general nature like 'expenditure is less than anticipated', 'reduced provision is sufficient to meet the expenditure' etc.	Finance Department as per Circular no.59/09/Fin dated 23.07.2009 issued necessary instruction to all Heads of Departments/Chief Controlling Officers relevant rules/procedure stipulated in para 97(1) to avoid excess expenditure over budget allocation and strictly adhered to progress of expenditure against budget allocation and reconciliation. More over circular instructions are being issued from this department every year to forward final resumption proposal early without waiting till the last day of the financial year specifying full reason justifying resumption as stipulated in the Kerala Budget Manual.

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**STATEMENT OF ACTION TAKEN ON THE AUDIT PARA 2.3.3 AND 2.3.4 OF THE REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL OF INDIA ON STATE FINANCES FOR THE YEAR ENDED 31st
MARCH 2011.**

Sl. No.	Para No.	Department	Recommendation	Action Taken
1	2.3.3	Finance Department	<u>Excess Over provision during 2010-11 requiring regularization</u> The Appropriation Accounts disclosed excess of expenditure Rs.15 lakh over the authorization from the Consolidated Fund of the State during 2010-11 in 1 grant and 2 appropriations. Excess of Rs.15 lakh required regularization under Article 205 of the Constitution.	Notes for regularizing Rs.1 lakh under the charged appropriation has been forwarded to Legislature Secretariat after getting it vetted by the Accountant General. Notes for the remaining amount is yet to be received from Administrative Department.
2	2.3.4	Finance Department	<u>Excess over provisions relating to previous year's requiring regularization:</u> As per Article 205 of the Constitution of India, it is mandatory for a State Government to get excess over grants/appropriations regularized by the State Legislature. Although no time limit for regularization of expenditure has been prescribed under the Article, the regularization of excess expenditure is done after the completion of discussion of the appropriation accounts and the connected audit report by the Public Accounts Committee (PAC). However, excess expenditure amounting to Rs.333.59 crore for the years 1990-91 to 2009-10 was still to be regularized (December 2011).	Out of the total amount of Rs.333.59 crore notes for an amount of Rs.0.12 crore have already been discussed by PAC and the report is awaited. Notes for an amount of Rs.315.04 crore has been vetted by Accountant General and yet to be discussed by PAC. Notes for 1.66 crore was vetted by AG and action is being taken to furnish 40 copies to Legislature Secretariat by Transport Department. Notes for the balance amount of Rs.16.76 crore is yet to be received from the concerned Administrative Departments. A Meeting has been conducted with Additional Secretaries of Taxes, Animal Husbandry and Home Department on 26.09.2012 for expediting action for regularization. They have agreed to furnish notes within a week positively.

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STATEMENT OF ACTION TAKEN ON AUDIT PARAS OF THE COMPTROLLER AND AUDITOR GENERAL REPORT OF THE YEAR ENDED 31ST MARCH 2011 ON STATE FINANCES

Sl. No.	Para No.	Audit Observation	Action Taken
1	2.3.5, 2.6.2.5	<p>Supplementary provisions aggregating Rs.1143.10 crore, obtained in 25 cases of Rs. 50 lakh or more in each case during the year, proved unnecessary as the expenditure did not come up to the level of the original provisions. In 31 cases, against the additional requirement of Rs.2,218.02 crore, supplementary grants of Rs.3,132.85 crore were obtained, resulting in savings exceeding Rs.1 crore and above in each case aggregating Rs.914.83 crore. According to provisions (paragraph 88) in the Kerala Budget Manual, supplementary grants are to be obtained only when the amount authorized by the Annual Appropriation Act to be expended for a particular service for the current financial year is found to be insufficient for the purpose. Hence, non-utilisation of the supplementary grants obtained during the year is indicative of the failure on the part of the Chief Controlling Officers, Administrative Departments of the Secretariat and the Finance Department to correctly assess that funds were actually needed. Moreover, if there are anticipated savings under the grant, the additional requirement of funds can be met through reappropriation of savings except on a 'new service'. Even in this case, only a token provision is enough to satisfy the new service procedure and the balance can be met by reappropriation. Under revenue section of 'Grant No. XLVI- Social Security and Welfare', Rs.169.89 crore was obtained as supplementary grant during 2010-11, whereas the savings under the grant was Rs.195.05 crore at the close of the year. This indicated that the supplementary grant obtained during 2010-11 was unnecessary as the additional requirement of funds could have been met by reappropriation of savings under the grant. This showed the failure on the part of Chief Controlling Officers/Administrative Department/Finance Department to monitor the progress of expenditure and to exercise proper control over expenditure.</p>	<p>Article 205 of the Constitution provides for obtaining Supplementary Grants when the sums sanctioned by the Legislature for a particular service/function are found inadequate for the purpose or to meet some 'new service' not contemplated in the Annual Financial Statement (Budget) for the year. The primary responsibility in respect of supplementary appropriations is that of the Chief Controlling Officer, who should act with utmost caution in submitting proposals for Supplementary Grants. Government have issued instructions to all HoDs / Controlling Officers to ensure that proposals for supplementary grants are prepared judiciously with utmost care and caution that such grants are inevitable for the proposed purpose, sums proposed are in conformity with the actual requirements, proposed expenditure has a valid sanction, etc. Instructions were issued in this regard in Govt. Circular No.32/2009/Fin dated 23/04/2009. The SDG circulars issued every year emphasizes these instructions for strict compliance by the Controlling Officers and HoDs. The latest instructions in this regard in Government Circular No.02/2013/Fin dated 11/01/2013.</p>

2	<p>2.3.10, 2.6.2.3 & 2.6.2.2</p> <p>According to Para 91 (2) of the Kerala Budget Manual, rush of expenditure in the closing month of the financial year should be avoided. Contrary to this, in respect of 46 sub-heads, expenditure of Rs. 10 crore and above and also more than 50 per cent of the total expenditure for the year was incurred in March 2011.</p>	<p>A practice of drawing huge amounts of advance both as cash and demand draft during the closing days of the financial year is seen resorted to some Drawing and Disbursing Officers of various Departments. The main intention behind the practice of advance drawal is to avoid lapsing of budget provisions. Such drawals are made in respect of incomplete works and purchases in violation of the rules pertaining to financial propriety, to be observed by each and every Drawing and Disbursing Officer. To avoid rush of expenditure at the close of the financial year, Govt. have fixed quarterly targets of expenditure to be achieved by Departments against budget allocation. To ensure early presentation of bills, cheques, chalan by departments to treasuries, specific time limit have been prescribed, thereby the bunching of expenditure at the fag end of the financial year can be avoided. Instructions are given to controlling Officers to ensure that copies of letters of allotment reaches all sub controlling officers in time. Treasuries were also instructed to comply strictly to the guidelines issued time to time by the Government to this effect. Instructions in this regard are contained in Circular No. 31/12/Fin dtd:02.06.2012, & Circular No. 17/2011/Fin dtd:07/03/2011.</p>
3	<p>2.3.11</p> <p>Para 86 (3) of the Kerala Budget Manual lays down that the authority sanctioning re-appropriations should satisfy himself that the reasons given in the sanctions are full, frank and forthright and are not in vague terms such as 'based on actual requirement', 'based on trend of expenditure', 'expenditure is less than that anticipated', etc. as they have to be incorporated in the Appropriation Accounts which are examined by the Public Accounts Committee of Legislature. However, a test check of re-appropriation orders relating to 12 grants issued by the Finance Department revealed that in respect of 559 out of 1835 items (30 per cent), the reasons given for withdrawal of provision/additional provision in re-appropriation orders were of general nature like 'expenditure is less than anticipated', 'reduced provision is sufficient to meet the expenditure', etc.</p>	<p>Govt. have noticed that in certain cases of re-appropriation proposals furnished by the Chief Controlling Officers and Heads of Department are devoid of full frank and forthright reasons to the satisfaction of the existing rules and procedures laid down in Kerala Budget Manual. Government have time to time issued instructions to Controlling Officers and Heads of Department for strict compliance of the relevant provisions in the Kerala Budget Manual so that defective proposals can be minimized to a great extent. As per Govt. Circular No. 33/2009/Fin dtd:23.04.2009, instructions were given to all Controlling Officers and Heads of Departments to furnish specific explanation for savings/excess along with re-appropriation proposals. They were also directed to desist from furnishing re-appropriation proposals between different grants or between charged and voted sections or revenue and capital section for the same grant, for meeting expenditure on a new service not contemplated in AFS, transfer of funds provided for Plan schemes to meet Non plan expenditure, transfer of funds provided for externally aided projects/CSS to State plan schemes/non plan expenditure, etc. It was also reiterated that re-appropriation of provision earmarked for salaries and wages and</p>

4	2.3.12, 2.6.2.2, 2.6.2.3	<p>As per the provision of Article 40(c)(7) of the Kerala Financial Code Volume I, a Government servant should not, on any other head, reserve or appropriate by transfer to a deposit or any other head or draw from the treasury and keep in a cash chest, any portion of an appropriation remaining unexpended during the year in order to prevent it from lapsing and use it for expenditure after the end of the year. Funds provided in the budget are for actual expenditure to be incurred during the year and any unspent provision lapses at the close of the financial year. Audit scrutiny revealed that Rs.307.57 crore was drawn by the departmental officers and deposited them in the Treasury Savings Banks/Treasury Public Accounts or released them to the implementing agencies towards the close of the financial year 2010-11 to prevent them from lapsing. The irregular deposit of funds enabled the departments to avoid lapse of budget provision and to bypass budgetary compulsions to spend the amount before the close of the financial year. Further, utilizing funds voted for expenditure during a financial year in the subsequent year amounted to bypassing the control of the Legislature over expenditure out of the Consolidated Fund of the State. Moreover, as the funds drawn were not spent during the financial year, the Government accounts did not reflect the factual position.</p>	<p>As per the provisions in the Kerala Budget Manual, the Chief Controlling Officers are responsible not only to ensure that the total expenditure is kept within the allotted budget provision, but also see that the funds allotted are spent on subjects of public interest and for the specific purpose for which the money was provided. Close and regular monitoring of the progress of expenditure incurred against the</p>
5	2.6.1.1	<p>Persistent savings ranging from 34 to 79 per cent of the provision were noticed under the capital section of Grant No. XLII - Tourism during the years 2008-09 to 2010-11.</p>	<p>scholarships and stipends will not be allowed and also that re-appropriation from out of the provision obtained for specific purpose through the Supplementary Demand for Grants (SDG) is not permissible. Further, in Circular No. 15/2012/Fin dttd:15.03.2012 all Chief Controlling Officers and Heads of Departments were directed to ensure that re-appropriation/resumption shall contain complete and full reasons justifying savings/excess expenditure as per the provisions in the Kerala Budget Manual.</p> <p>As a matter of policy, Govt. do not encourage withdrawal of money for retaining the same in TSB accounts in order to prevent it from lapsing and use it for expenditure after the end of the year. However if the drawing and disbursing officers need advance drawal for any unavoidable expenditure, Govt. usually permits opening of special TSB account for a limited period and retention of money in TSB accounts in certain cases are allowed where spill over payments are to be made immediately after the end of the financial year. Bunching of expenditure at the lag end of the financial year is viewed as one of the reasons for compulsion to transfer the amount to treasury public account. To avoid bunching of expenditure at the close of the financial year, Govt. have fixed quarterly targets of expenditure to be achieved by Departments against budget allocation. Government have issued instructions to all HoDs to this effect by reiterating that practice of transferring plan funds to TSB towards the end of the financial years will not be permitted by the Government so that the practice of irregular depositing of money can be totally avoided in future. All HoDs were informed that any withdrawal of money for avoiding lapse of money in anticipation of future expenditure and keeping money in cash chest (DD/Cheque) would be viewed as irregularity of serious nature and responsibility and accountability will be fixed accordingly (Circular No.31/12/Fin dated : 02/06/2012). Circular instructions were issued in Circular No.90/2013/Fin dated 8th November 2013 to desist from such practice of drawal of funds.</p>

		<p>allotted budget provision by the Controlling Officers is necessary for achieving the goal of effective spending of the budget provision. Necessary instructions to the Controlling Officers to properly act upon budget exercises are being given from Finance Department from time to time. As per the budget circular issued every year, Specific instructions are being given to all Controlling Officers/Heads of Department to personally ensure utmost care and accuracy in estimation of expenditure in order to avoid to the instances of huge variations between estimates and accounts. Latest instructions in this regard are issued in Government Circular No. 60/2013/Fin dated 01.08.2013.</p>
6	2.6.1.2, 2.6.2.1	<p>As per paragraph 93(1) of the Kerala Budget Manual, re-appropriation/surrender proposals are to be sent to the Finance Department not later than 25 February of the relevant financial year. However, during 2008-09 to 2010-11, the Director of Tourism sent the reappropriation/surrender proposals only in the last week of March. Consequently, orders surrendering Rs.6.12 crore in the revenue section and Rs.54 lakh in the capital section were issued by the Finance Department only on the last day of the financial year. Such surrenders serve no purpose as the surrendered amounts cannot be used to meet the requirements of any other department. Audit also noticed that only 56 and three per cent of the savings in the revenue and capital section respectively were surrendered indicating that the Director of Tourism had not assessed the actual saving available for surrender even at the close of the financial year.</p>
7	2.6.1.3	<p>Government of India released the first instalment of two crore in October 2009 for upgradation of five Food Craft Institutes. The Director of Tourism sent proposals to the Government for providing funds only in September 2010, i.e. after a lapse of nearly a year. Funds were provided only in the last batch of Supplementary demands for grants in March 2011. The amount was drawn on 31 March 2011 and released to the institutions in April 2011, eighteen months after receipt of Government of India's share. The Director of Tourism stated</p>

As per Para 91 of Kerala Budget Manual, all Chief Controlling Officers and Heads of Departments are liable for surrender of funds found to be in excess of requirements under each unit of appropriation at the end of the financial year to Government in Finance Department. Every year during the month of January/February Finance Department gives specific instructions to all Departments to take necessary steps for the resumption of the savings anticipated at the end of the financial year. Instructions in this regard issued last time was in Circular No. 3/2013/Fin dated 15.01.2013. However, it is noticed that some departments fail to furnish proposals for resumption of anticipated savings under certain unit of appropriation and also there are some sort of discrepancies such as surrender in excess of actual savings, injudicious surrender in the surrender proposals. This Department will take necessary steps to ensure that such instances do not recur in the ensuing years. Strict instructions were issued in Circular No.90/2013/Fin dated 8th November 2013 to adhere to the dates specified in the Kerala Budget Manual.

In Circular No.101/2013/Fin dated 18/12/2013, following instructions were issued to all heads/Chief Controlling Officers to ensure timely inclusion of necessary provision in the Budget Estimates for incurring expenditure in respect of schemes for which assistance was received from GOI.

a) When Central Assistance is received for a scheme for which no provision has been made in the budget estimates the respective Administrative Department has to furnish necessary proposals to Finance Department for inclusion of

		<p>necessary provision in the succeeding Supplementary Demands for Grants to facilitate incurring expenditure for the scheme.</p> <p>b) If the Controlling Officers/Heads of Departments are not in a position to furnish proposals to include necessary provision in the next years budget due to the non completion of required formalities or any other administrative reasons for a scheme for which Central assistance is expected to be received during next financial year, they have to suggest to include a token provision for that particular scheme in next year's budget estimates. On receipt of Central Assistance, the Administrative Department has to furnish proposals to authorize additional expenditure to the extent of Central Assistance received and states share, if any, to facilitate incurring expenditure for the scheme, if a token provision has been included for that scheme in the budget estimates. In such cases, the Administrative Department has to ensure that the additional expenditure authorised are regularized through reappropriation or by obtaining Supplementary Demands for Grants before the close of the Financial year.</p>
8	<p>2.6.2.4</p> <p>Paragraph 95(3) of the Kerala Budget Manual provides for additional authorization of funds by the Administrative department with the concurrence of the Finance Department in cases not involving 'new service' and where the requirement of funds is urgent and expenditure cannot be postponed till the supplementary grants of next batch are voted. But all such cases are required to be regularized before the close of the financial year by providing additional funds to cover the expenditure either through reappropriation or by obtaining supplementary grant.</p> <p>The Finance Department authorized additional expenditure of Rupees one crore in January 2011 invoking paragraph 95(3) of the Kerala Budget Manual under the head of account '2235-60-200-75' for issue of biometric identity cards to all Welfare Pensioners in Kollam district. Though expenditure of ` 50 lakh was incurred, the expenditure had not been regularized before the close of the financial</p>	<p>Additional funds are authorized by Finance department to incur expenditure on items not involving 'New Service Procedure' based on the exigent nature of proposed expenditure reported by the Administrative Department. The funds so authorized is later regularized through reappropriation or by obtaining Supplementary Demands for Grants to the extent of actual expenditure incurred against the additional funds as reported by the Administrative Department/Controlling Officers before the close of the financial year in which such additional funds are sanctioned. It was specifically instructed in the Government Order in which the additional fund was sanctioned that the Controlling Officers will take timely steps to regularize the additional expenditure through Supplementary Demands for Grants before the close of the financial year. Specific instructions are being given in all Government Orders authorizing additional expenditure that the expenditure so authorized has to be regularized by the Controlling Officers through reappropriation or</p>

		<p>year 2010-11. As a result there was uncovered excess expenditure of 50 lakh under this head of account.</p>	<p>Supplementary Demands for Grants before the close of the financial year. Specific instructions to all Controlling Officers/Heads of Department are also being given in SDG circulars issued every year for forwarding proposals for the regularization of additional expenditure already incurred by them.</p>
9	2.11	<p>The Government should ensure that:</p> <ul style="list-style-type: none"> all the departments submit realistic budget estimates, keeping in view the trends of expenditure and the actual requirement of funds in order to avoid large savings/excesses; all departments closely monitor the expenditure against the allocations and incurring of excess expenditure over the grants is strictly avoided and surrender of funds are made much before the last working day of the closing year so as to enable the Government to utilise the funds on other schemes 	<p>The budget of the State is based on the departmental estimates submitted by the Heads of Department and certain other estimating officers, which, in turn, are based on the estimates prepared by the Regional/District Officers. Close estimation of budget estimates by the controlling officers is therefore necessary to avoid the instances of variation between budget provision and actual. Instructions in Chapter III of Kerala Budget Manual clearly specify the utmost care and accuracy to be exercised by the estimating officers in preparing budget estimates. The need for adherence to these instructions by the estimating officers are reiterated in circulars and orders issued from Finance Department to ensure that the budget estimates proposed are neither inflated nor under pitched, but as accurate as practicable. Specific instructions in this regard are issued in the budget circular to all controlling officers to assess the precise requirement with reference to all available data so that the amount proposed for each function, programme or schemes do not turn to be either excessive or inadequate later on. Latest instructions issued in budget circular No. 3/2013/Fin dtd: 15.01.2013.</p> <p>The chief controlling officers are responsible to keep a constant watch over current and anticipated expenditure to ensure that the expenditure does not, at any time, exceed the allotted budget provision. In order to ensure exercising proper budgetary control by the controlling officers, it was instructed in the Government Circular No. 90/2013/Fin dtd: 08.11.2013 to all Heads of Department that a proper system of tracking expenditure incurred against allotted budget provision on regular basis should be evolved by them so as to avoid the situation of expenditure exceeding appropriation.</p> <p>The Controlling Officers/ Heads of Departments are also responsible for the surrender of all anticipated savings to the Finance Department through the Administrative Department, explaining the reason therefore, immediately they are foreseen, without waiting till the end</p>

of the year, unless they are required to meet excess under other units, which are definitely foreseen at the time. Para 91(1) of Kerala Budget Manual stipulates that the proposals for resumption should reach Government in Administrative Department at the latest by 15th February and Finance Department by 25th February. Specific instructions to Controlling Officers to surrender the fund found to be in excess of actual requirements to Government at the latest by the dates stipulated in Kerala Budget Manual are usually given by Finance Department during the month of January/March. The latest instructions in this regard were issued in Government Circular No. 3/2013/Fin dtd: 15.01.2013. Instructions were also issued in Circular No.90/2013/Fin dated 8th November 2013 to adhere to the time limit prescribed and initiate appropriate disciplinary action against the controlling officers who fail to comply with the provision.

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GOVERNMENT OF KERALA
FINANCE (STREAMLINING) DEPARTMENT
STATEMENT OF ACTION TAKEN ON THE AUDIT PARA CONTAINED IN THE REPORT OF THE COMPTROLLER AND
AUDITOR GENERAL FOR THE YEAR ENDED ON 31.03.2011.

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Sl. No.	Para No.	Audit Para	Statement of Action Taken on the Audit Para
1	2.4.1	<p><u>Pendency-in submission of Detailed Countersigned Contingent bills against Abstract Contingent bills.</u></p> <p>According to Rule 187 (d) of the Kerala Treasury Code, all contingent claims that require the countersignature of the controlling authority after payment are to be initially drawn by the Drawing and Disbursing Officer (DDO) from the treasury by presenting Abstract Contingent bills in the prescribed form (Form TR 60). Abstract Contingent (AC) bills can be drawn only by an authorised officer for the items of expenditure listed in Appendix 5 to the Kerala Financial Code. The Drawing and Disbursing Officer should maintain a register of AC bills and monitor submission of detailed bills there against. The Detailed Contingent (DC) bills in respect of such claims should be submitted to the controlling authority for countersignature not later than the 10th of the month succeeding that to which they relate. The detailed bills pertaining to a month's claim should reach the Principal Accountant General (A&E), Kerala not later than the 20th of the succeeding month.</p>	<p>As per the latest report of Accountant General (A&E) pending Detailed Countersigned Contingent bills against Abstract Contingent bills up to 31.3.2011 have been settled.</p>

According to the records maintained by the Principal Accountant General (A&E), Kerala, 31 AC bills drawn by 26 Drawing and Disbursing Officers upto March 2011 involving ₹ 2.84 crore were not adjusted as of June 2011 due to non-receipt of DC bills, details of which are enumerated in Appendix 2.13. Year-wise details are given in Table 2.7. Non-submission of DC bills leads to retention of advance amount drawn with the drawing officer and the advance drawn remains unaccounted under the proper heads of account.

Table 2.7: Pendency in submission of Detailed Countersigned contingent bills against Abstract Contingent bills.

Year	AC bills		DC bills		DC bills as percentage of AC bills	Outstanding AC bills	
	Number	Amount	Number	Amount		Number	Amount
2009-10	367	5.98	361	4.17	98	6	1.81
2010-11	395	3.52	370	2.69	94	25	0.83
Total		9.50		6.86		31	2.64

Source: Information furnished by Principal Accountant General (A&E)

GOVERNMENT OF KERALA

Finance (Budget Wing-D) Department

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STATEMENT SHOWING THE ACTION TAKEN ON THE AUDIT PARA 2.5 OF THE C & AG REPORT ON STATE FINANCES FOR THE YEAR ENDED 31ST MARCH 2011

Para No	Department	Particulars of the recommendation	Action Taken
2.5	Finance	<p>The Contingency Fund of the State has been established under the Kerala Contingency Fund Act, 1957 in terms of provisions of Articles 267 (2) and 283 (2) of the Constitution of India. Advances from the Fund are to be made only for meeting expenditure of an unforeseen and emergent nature, postponement of which, till its authorization by the Legislature, would be undesirable. The Fund is in the nature of an imprest and its corpus is ₹ 100 crore. Till the close of the year, ₹ 33.92 crore under 2015 Elections (₹ 12.43 crore drawn on 11 March 2011), 2406 Forestry and Wild Life (₹ 2.49 crore drawn on 30 March 2011) and under 6216 Loans for Housing (₹ 19 crore drawn on 30 March 2011) was not recouped to the Fund</p>	<p>As per para 6(3) of the Kerala Contingency Fund Act 1957 (as amended by the Kerala Contingency Fund Amendment Act 1972), if any expenditure has been incurred during any year by taking an advance from the Contingency Fund and Supplementary Grant or Appropriation is not obtained during the same year for meeting such expenditure then the funds for such expenditure shall be provided in the next Financial Year either by means of a token supplementary grant, if savings are available from the grants in the annual financial statement or by a Supplementary Grant or Appropriation for the full amount 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. All the advances pending recoupment as on 30.3.2011 were accordingly recouped by obtaining provisions through the Memorandum of Alterations to the original Budget Estimate 2011-12 presented to the Legislature in July 2011.</p>

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Report of C&AG for the year ended 30.3.2011 (State Finance) – Remedial Measures Taken - Finance Department

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Sl No.	Para No.	Recommendations	Action Taken Statement
1	2.7 (a)	An amount of Rs.43.75 crore was provided under the head of account '4711-02-102-92 Priority schemes under Thirteenth Finance Commission Award' in Grant No. XXXVIII Irrigation. The Thirteenth Finance Commission had not awarded any grant for such schemes and consequently no expenditure was incurred. Though the funds were wrongly provided, the provision was not surrendered till the close of the financial year.	The financial year 2010-11 was the initial year of the 13 th finance Commission. The schemes/programmes to be implemented under 13 th Finance Commission recommendations were not finalised during that time. An amount of Rs. 43.75 crore was included under the head of account "4711-02-103-92 Priority Schemes under the Thirteenth Finance Commission Award in Grant No XXXVIII-Irrigation in anticipation that schemes under Irrigation Department similar to that implemented under 12th FC would get the approval of 13 th Finance Commission also. But the scheme as anticipated was not approved under 13 th FC.
1	2.7(b)	A sum of ₹ 40 crore was provided in the Budget under the head of account '2230-01-800-99 Rashtriya Swasthya Bima Yojana', under Grant No XXIV Labour and Labour Welfare for implementing the Centrally	The Health Insurance Scheme of Rashtriya Swasthya Bima Yojana (RSBY) is implemented in the State on a 75:25 cost sharing between Central and State governments. CHIAK is the implementing agency of the scheme in the State. During the 2010-11, an amount of Rs.30 crore was made in the State budget as central share for RSBY under

the head of account 2230-01-800-99 (P) on the basis of the schematic allocation of Annual Plan as suggested by the State Planning Board. The central share of RSBY scheme for 2010-11 was included in the State budget on the assumption that assistance from Central government would be routed through the Consolidated Fund of the State Government. However the Central share for the scheme was released directly to the implementing agency *albeit* the State government have long been demanding Government of India for the routing of central assistance to all the Centrally Sponsored Schemes implemented in the State through the Consolidated Fund of the State Government. Subsequently, provision of Rs.30 crore made as central share for RSBY during 2010-11 was surrendered based on the proposal from Administrative Department of the RSBY scheme i.e. Labour Department. The matter has been brought to the notice of the State Planning Board. The State Planning Board in the letter dated 03.01.2013 has informed the State Government that 12th Five Year Plan Document envisages that all funds from Government of India will be routed through the State Government account with effect from 01.04.2013. Accordingly central share for Rashtriya Swasthya Bima Yojana for 2013-2014 has been included in the State budget along with corresponding State share.

Sponsored Scheme. This included Government of India share of ₹ 30 crore and State Government's matching share of ₹ 10 crore. As the Government of India's share was being released directly to the implementing agency (Comprehensive Health Insurance Agency of Kerala) by the Government of India, no provision was required to be made in the State budget for the Central share. The funds wrongly provided were retained till the last day of the financial year and were surrendered on 31 March 2011.

Sl No.	Audit Para No.	Recommendations	Action Taken Statement
1	2.7(c)	<p>An amount of ₹ 6.25 crore was provided under the head of account '2205-103-86 Priority Schemes' under the Thirteenth Finance Commission Award in Grant No XVII Education, Sports, Art and Culture. As the Thirteenth Finance Commission did not award any grant for such a scheme, the entire provision was surrendered.</p>	<p>The financial year 2010-11 was the initial year of the 13th finance Commission. The schemes/programmes to be implemented under 13th Finance Commission Recommendations were not finalized during that time. An amount of Rs. 6.25 crore was included under the head of account "2205-103-86 Priority Schemes under the Thirteenth Finance Commission Award in Grant No XVII Education, Sports, Art and Culture in anticipation that the schemes under Cultural Department would get approval of 13th Finance Commission also as in the 12th FC award. But schemes for Cultural Department under Finance Commission was not approved and subsequently the provision was surrendered on 27.10.2010.</p>

**STATEMENT OF ACTION TAKEN ON PARA 2.8 OF THE CONTROLLER AND AUDITOR
GENERAL REPORT OF THE YEAR ENDED ON 31.03.2011 ON STATE FINANCE**

SL. No.	Para No.	Audit Observation	Action Taken
1	2.8	The amount authorized by the Legislature through the original budget and supplementary grant for July 2010 in the Capital portion of 'Grant No. XXI-Housing was Rs.48.71 crore. One of the conditions prescribed for issue of additional authorization under the provisions of KBM is that the grant as a whole should not be exceeded before supplementary grant has been made by the Legislature to cover the additional authorization. It was, however, noticed that the Finance Department issued (September 2010) a sanction authorizing additional expenditure of Rs. 71.37 crore under the head of account '4216-90-800-98-Additional Central Assistance-Tsunami(Housing) invoking paragraph 95 (3) of the Kerala Budget Manual (KBM). This resulted in the grant being exceeded during the period October to February 2011 before additional funds were obtained through supplementary grant in March 2011.	The additional expenditure to the tune of Rs. 71.37 crore under the head of account '4216-90-800-98-Additional Central Assistance-Tsunami(Housing) invoking paragraph 95 (3) of the Kerala Budget Manual (KBM) for the purpose of completion of project under Tsunami Rehabilitation programme which had to be completed before 30.09.2010. Additional Central Assistance of Rs. 123.15 crore for the Project was received in July 2010. The expenditure on this account could not be anticipated while preparing budget estimate for 2010-11. Since the project had to be completed by the end of September 2010, additional budget allocation based on the central release was made under respective sectors to meet the immediate requirement. Therefore, Government was constrained to authorize expenditure under various sectors based on the release of central assistance. However, the point that such additional expenditure could result in the excess expenditure over voted grant got overlooked by mistake. The expenditure thus authorized was regularized during the same financial year through the Supplementary Demands for Grants, February 2011.

Shalini
 SECRETARY to GOVT
 Joint Secretary, Department
 Finance, Department
 Govt. Secretariat, Thiruvananthapuram

**STATEMENT OF ACTION TAKEN ON PARAS OF THE COMPTROLLER AND AUDITOR GENERAL REPORT OF THE YEAR ENDED
31st MARCH 2012 ON STATE FINANCES**

Sl. No.	Para No.	Audit Observation	Action Taken
1	2.3.1, 2.3.2	The appropriation audit revealed that in 15 cases, savings exceeded ₹10 crore in each case and were also more than 20 per cent of the total provisions. In seven cases, there were persistent savings in excess of ₹50 lakh in each case and also 20 per cent or more of the provision for the last three years.	The lack of observance of the due procedures and instructions laid down in Kerala Budget Manual for control of expenditure and appropriation required for achieving the objective of proper and effective spending of the allotted budget provision from the part of some departments has resulted in instances of persistent savings under certain demands. Specific instructions are regularly issued to all departments to ensure strict adherence to the relevant provisions in KBM with regard to the prudent management of budgetary appropriation. In the budget circular issued every year, instructions to all estimating officers are being given to assess the requirements precisely so that the proposed estimates do not turn out to be varied from the actual expenditure. The latest instructions in this regard issued in Govt. Circular No. 60/2013/Fin dated: 01.08.2013. Instructions were also given in Govt. Circular No.90/2013/Fin dated: 08.11.2013 to all departments to devolve a proper system for tracking expenditure incurred against appropriations placed at their disposal on regular basis for ensuring financial accountability and effective budget management system.
2	2.3.5	Supplementary provisions aggregating ₹793.63 crore, obtained in 22 cases of ₹ 50 lakh or more in each case during the year, proved unnecessary as the expenditure did not come up to the level of the original provisions. In 23 cases, against the additional requirement of ₹ 1,558.12 crore, supplementary grants of ₹ 2,408.21 crore were obtained, resulting in savings aggregating ₹ 850.09 crore. In 10 cases, supplementary provision of ₹1,413.24 crore proved inadequate by more than ₹ one crore in each case, leaving uncovered excess expenditure of ₹ 720.73 crore.	The proposals from the administrative departments for inclusion of provision as Supplementary Grants for expenditure on items for which the provision made in the original budget estimate is insufficient or to meet requirement on a 'New service' not contemplated in the Annual Financial Statement are generally considered by Finance department solely on the basis of the exigent nature of the expenditure as reported by the Administrative departments. The instances of unnecessary Supplementary Grants point to the lapses from the part of the Controlling Officers who are primarily responsible for furnishing proposals for Supplementary Grants with utmost care and caution. The detailed scrutiny of the SDG proposals by the Finance department often becomes difficult as a large number of proposals are received belatedly in the department, sometimes during the last moment before the finalization. Strict instructions are issued to all administrative departments in circulars seeking SDG proposals to conduct a detailed scrutiny of the proposals furnished by the Heads of Departments to ensure that the proposals are in order in all respect alone need be recommended to Finance Department. The details on following items are also called for from the Controlling officers along with SDG proposals for scrutiny by Finance department

3	2.3.6, 2.3.12	<p>Re-appropriation is transfer of funds within a Grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. There were excesses/savings of more than ₹ two crore in 127 sub-heads even after re-appropriation. Reasons for the variations were not furnished by the department/Government. Para 86 (3) of the Kerala Budget Manual lays down that the authority sanctioning re-appropriations should satisfy himself that the reasons given in the sanctions are full, frank and forthright and are not in vague terms such as 'based on actual requirement', 'based on trend of expenditure', 'expenditure is less than that anticipated', etc. as they have to be incorporated in the Appropriation Accounts which are examined by the Public Accounts Committee of Legislature. However, a test check of re-appropriation orders relating to 12 Grants issued by the Finance Department revealed that in respect of 747 out of 2129 items (35 per cent), the reasons given for withdrawal of provision/additional provision in re-appropriation orders were of general nature like 'expenditure is less than anticipated', 'reduced provision is sufficient to meet the expenditure', etc</p>	<p>to avoid the instance of any supplementary demands for grants later becomes unnecessary. (i) Why the need for additional expenditure has arisen? (ii) Why the same was not foreseen at the time of the preparation of original budget estimates? (iii) Why the expenditure cannot be postponed? (iv) Whether the expenditure is covered by proper sanction? (v) Whether it constitutes 'New Service' (vi) Whether it is not possible to find the required amount or at least a part of it, by re-appropriation from the savings anticipated under the Grant? The latest instructions in this regard issued in Government Circular No.93/2013/Fin dated 20/11/2013.</p>
4	2.3.7, 2.3.8, 2.3.9 &	<p>Substantial surrenders (where more than 50 per cent of the total provision was surrendered) were made in respect of 494 sub-heads on account of either non-</p>	<p>Instructions were issued by Finance department to all heads of departments/controllers/officers from time to time to furnish specific reasons for the variations of excess/savings proposed along with proposals for re-appropriation of funds from one unit to another. In spite of these repeated instructions, incomplete proposals for reappropriation are still being received in Finance department. Hence this department has returned re-appropriation proposals devoid of specific explanation for the variations proposed with instructions to the departments concerned to furnish fresh proposals with all necessary details stipulated in Kerala Budget Manual. Finance Department has also issued necessary instructions to all controlling officers to furnish specific explanations justifying the excess/savings expenditure proposed as per the relevant provisions in the Kerala Budget Manual. Latest instructions in this regard issued in Government Circular No. 15/2012/Fin dtd:15.03.2012</p>
		<p>Chief Controlling Officers and Heads of Departments are responsible for the surrender of all anticipated saving to Finance Department through the concerned administrative department without waiting till the end of the year when such</p>	

2.3.10	<p>implementation or slow implementation of plan schemes/programmes. Out of the total provision amounting to ₹ 2,155.49 crore in these 494 sub-heads, ₹ 1,918.20 crore (89 per cent) was surrendered which included cent per cent surrender in 50 sub-heads amounting to ₹ 308.04 crore. In 17 cases (Grants/Appropriations) the amounts surrendered (₹ 50 lakh or more in each case) was in excess of the actual savings indicating lack of or inadequate financial control. As against savings of ₹ 6,910.08 crore, the amount surrendered was ₹ 7,047.23 crore, resulting in excess surrender of ₹ 137.15 crore. In Seven Grants/Appropriations, surrender of ₹ 27.01 crore (₹10 lakh or more in each case) proved injudicious as there were eventual excesses under these Grants/ Appropriations at the close of the financial year. In 2011-12, 11 grants/appropriation in which savings occurred but no part of which had been surrendered by the Departments concerned. The amount involved in these cases was ₹52.67 crore. Similarly out of the total savings of ₹3209.49 crore under 26 grants/appropriation 33 percent of savings amounts aggregating ₹1056.14 crore were not surrendered.</p>	<p>savings are foreseen and unless they are required to meet excesses foreseen at that time under other units. The lack of effective financial mechanism in place to trace the exact data on the actual expenditure incurred against the appropriations placed at the disposal of sub officers by the controlling officers is viewed as the main reason for the occurrence of the instances of surrender in excess of actual savings or non surrender of actual savings. Instructions have already been issued in Government Circular No. 90/2013/Fin dated: 08.11.2013 to all controlling officers to evolve a proper system for tracking expenditure incurred against appropriations placed at their disposal on regular basis. Specific instructions are being issued regularly during the month of January/February to all Chief Controlling Officers and Heads of Departments to surrender funds found to be in excess of requirements under each unit of appropriation. Latest instructions in this regard issued in Government Circular No. 3/2013/Fin dtd: 15.01.2013.</p>
5	<p>2.3.11</p> <p>According to Para 91 (2) of the Kerala Budget Manual, rush of expenditure in the closing month of the financial year should be avoided. Contrary to this, in respect of 57 sub-heads listed in Appendix 2.14, expenditure of ₹10 crore and above and also more than 50 per cent of the total expenditure for the year was incurred in March 2012. In 33 Major Heads where more than 50 per cent expenditure was incurred during the last month of the financial year.</p>	<p>Close and regular monitoring of the progress of the expenditure incurred against the allotted budget provision by the controlling officers are essential for achieving the goal of effective spending of the sums placed at their disposal for specified purposes. Low progress in plan spending during the initial months of a financial year is one of the main reasons that compels a large number of controlling officers to withdraw the unspent balance of budget provision during the lag end of the financial year in bulk to avoid it from lapsing and keep it in savings bank accounts or any other means with the intention of meeting any expenditure after the close of the financial year. In Circular No. 31/12/Fin dated: 02.06.2012, Government have fixed quarterly targets of plan expenditure to be achieved by the departments from the allotted budget provision in order to regulate and ensure plan spending in a balanced manner and to avoid rush of expenditure at the close of the financial year. As per the instructions issued therein, all Government departments including Local</p>

		<p>Self Institutions have to ensure that at least 10% of the plan expenditure is achieved in the first quarter ending 30th June; (30% progressive expenditure) in the second quarter ending 30th September; 60% (progressive expenditure) in the third quarter ending 31st December and the remaining 40% of the outlay in the last quarter of a financial year with a ceiling of 10% plan expenditure in March. It was also reiterated in that circular that any withdrawal for avoiding lapse of fund in expectation of future expenditure and kept in cash chest (DD and Cheque) will be viewed as an irregularity of serious nature and responsibility and accountability will be fixed accordingly. All controlling officers were also instructed to deliver the DDs drawn for genuine purposes to the payees within a period of five days from the date of its withdrawal and warned of disciplinary action and levying penal interest for the period of illegitimate retaining of DD against those responsible for any kind of lapses in this regard.</p>
6	2.3.13	<p>As per the provision of Article 40 (c) (7) of the Kerala Financial Code Volume I, a Government servant should not, on any account, reserve or appropriate by transfer to a deposit or any other head, or draw from the treasury and keep in a cash chest, any portion of an appropriation remaining unexpended during the year in order to prevent it from lapsing and use it for expenditure after the end of the year. Funds provided in the budget are for actual expenditure to be incurred during the year and any unspent provision lapses at the close of the financial year. Audit scrutiny revealed that ₹81.25 crore was drawn by the departmental officers and deposited them in the Treasury Savings Banks/Treasury Public Accounts or released them to the implementing agencies towards the close of the financial year 2011-12 to prevent them from lapsing. Of this, ₹1.40 crore drawn (December 2011) by the Director of Handloom and Textiles, Thiruvananthapuram for the intensive campaign to popularize the use of Handloom/Khadi products in the State which could not be utilized due to delay in convening the monitoring committee meeting to draw the implementation programme was deposited in a</p>
		<p>The practice of withdrawal of unspent balance of budget provision at the flag end of a financial year to prevent it from lapsing and keeping it in TSB accounts for expending after the end of the financial year is not normally permitted by Government except in cases where such payments are found inevitable for some unavoidable reasons. Permission for such withdrawals is granted by Government after considering the merits of the case where spill over payments are to be made immediately after the end of the financial year. (It is viewed that bunching of a major portion of expenditure at the flag end of the financial year is one of the reasons for drawal of amount from treasuries and keeping it on other accounts). Quarterly targets to be achieved by departments for incurring expenditure against budget allocation have been fixed by Government to discourage the practice of bunching of expenditure at the end of the flag end of the financial year. Strict instructions have also been issued in Government Circular No. 31/12/Fin dated : 02/06/2012 to all departments to desist from the practice of irregular withdrawal of money for avoiding lapse of money in anticipations in this regard issued in keeping money in cash chest. Latest instructions in this regard issued in Government Circular No. 90/2013/Fin dated: 08.11.2013. As per D.O letter No.273/BWA/4/2014/Fin dated 20/03/2014, Finance Department has given directions to Administrative Departments/Head of Departments to credit back the amount kept in the Treasury Savings Bank Account and Bank Accounts to the Government account and most of the departments complied to this directions positively.</p>

7	2.9 & 2.10	<p>bank account. Keeping the money outside Government account was irregular. This resulted in under-utilisation of 81 per cent (₹1.13 crore) of the fund for nine months (August 2012).</p> <p>Against the total provision of ₹64271.36 crore the expenditure was ₹54414.63 crore which led to a saving of ₹9856.73 crore (15 percent). An excess of ₹771.01 crore was also incurred under 17 grants/appropriation, requiring regularization. An excess expenditure of ₹333.74 crore was not regularized while supplementary provision of ₹793.63 crore obtained in 22 cases unnecessary. Following recommendations are made after analyzing budgetary process and expenditure of the State during 2011-12.</p> <ul style="list-style-type: none"> • Budgetary control should be exercised in all the departments to avoid cases of budget provision remaining unutilized. • Expenditure in excess of budget allocation should be avoided. • Excessive/unnecessary supplementary grant and injudicious re-appropriation of funds should be avoided and • Instructions should be issued to all departmental officers to complete the reconciliation of departmental figures with that booked by the Principal Accountant General (A&E), before the close of accounts of each year. 	<p>The procedures and rules to be followed by the Heads of Departments and Controlling Officers for properly exercising the budgetary control and ensuring prudent financial management are regularly reiterated in circulars and orders issued from time to time by Finance Department. In the budget circulars issued every year, necessary instructions are issued to all Heads of Departments and Controlling officers to furnish accurate estimates to avoid the instances of variation between budget estimates and accounts. The latest instructions in this regard issued in Government circular No. 60/2013/Fin dtd: 01.08.2013. In the Government Circular No. 90/2013/Fin, instructions were issued to all controlling officers and heads of departments to evolve a proper system of tracking expenditure incurred against the allotted budget provision to avoid the situation of departmental figures exceeding the appropriation. In order to ensure timely reconciliation of departmental figures with those in the books of Accounts of Accountant General, specific instructions to all heads of department and controlling officers were issued in Government Circular No. 476/2013/Fin dated: 13.09.2013.</p>
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Dr. V. K. Srinivasan

Dr. V. K. Srinivasan
Joint Secretary to Govt.
Finance Department
Chennai, Tamil Nadu

**STATEMENT OF ACTION TAKEN ON THE AUDIT PARA 2.3.3 OF THE
REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
ON STATE FINANCES FOR THE YEAR ENDED 31st MARCH 2012.**

Sl. No.	Para No.	Department	Audit Observation	Remedial Measures Taken by Government
1	2.3.3	Finance (PAC) Department	<p><u>Excess over provision during 2011 -12 requiring regularization</u></p> <p>The Appropriation Accounts disclosed excess expenditure of ₹ 760.88 crore under Revenue Section (11 Grants and two Appropriations) and ₹ 10.13 crore under Capital Section (four Grants) requiring regularization during 2011-12. This excess expenditure of ₹ 771.01 crore requires regularization under Article 205 of the Constitution.</p>	<p>Of the 17 cases (11 Grants and 2 Appropriations under Revenue section and 4 Grants under Capital section) of excess expenditure requiring regularization during the year 2011-12, 14 cases (9 Grants and 2 Appropriations under Revenue section and 3 Grants under Capital section) the Note on reason of excess expenditure has been vetted by Accountant General. The Notes on excess expenditure relating to Grant No. I, V, VII, VIII, XII, XIII, XVI, XIX, XXVIII, XLVI and two Appropriations under Revenue Section and Grant No. XII under Capital Section have been forwarded to Legislature for consideration of PAC. This amounts to ₹ 737.82 crore. Follow up action is being taken up with Administrative Department controlling the Grant No. XI, XLI (Revenue Section) XLII (Capital Section) for taking urgent steps for furnishing the note on pending excess expenditure cases. Moreover in all AMC meetings of Finance Department and Chief Secretary's Apex Committee meeting, the cases of excess expenditure is a permanent item for discussion.</p>


T.K. MARTIN
 Additional Secretary to Govt
 Finance Department
 Govt. Secretariat, Tpm.



GOVERNMENT OF KERALA

FINANCE (INSPECTION NT-K) DEPARTMENT

ACTION TAKEN STATEMENT ON THE RECOMMENDATION CONTAINED IN THE 1ST REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON STATE FINANCES FOR THE YEAR ENDED MARCH 2012

Sl. No.	Para No.	Department	Recommendation	Action Taken
1	24.2	Finance	<p>Unreconciled Expenditure</p> <p>To enable the Controlling Officers of the departments to exercise effective control over expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, Paragraph 74 of the <i>Kerala Budget Manual</i> stipulates that the expenditure recorded in their books should be reconciled by them every month during the financial year with that recorded in the books of the Principal Accountant General (A&E), Kerala. Even though non-reconciliation of departmental figures is being pointed out regularly in CAG's Audit Reports, lapses on the part of the Controlling Officers in this regard continued to persist during 2011-12 also. One hundred Controlling officers did not reconcile expenditure amounting to Rs. 38,809.24 crore as of June 2012. In respect of 70 Controlling Officers, amounts exceeding Rs. 10 crore in each case amounting to Rs. 37,233.16 crore remained unreconciled during 2011-12.</p>	<p>Considering the magnitude of the situation, in the first instance, this department has taken timely, qualitative action and issued D.O. letters at the level of Joint Secretary (Inspection) to 80 major HoDs/District Collectors/ Secretaries on 12-3-2013 giving strict instructions to complete reconciliation till January 2013 on a war foot manner.</p> <p>Then as the second step, a total number of 183 DO letters have been issued in April 2013 to all COs/COOs/HoDs/Secretaries along with details of all pending reconciliation certificates. The above COs/COOs/HoDs/Secretaries have been requested to complete reconciliation till March 2013 clearing all pending certificates strictly before 31 May 2013. They have also been requested to obtain specific explanation from the officers for their persistent lapse in this regard and initiate stringent disciplinary action.</p> <p>Besides, the Director of Treasuries has also been requested to give strict instructions to all Treasury Officers in extending adequate support to the officers concerned for timely and satisfactorily completion of reconciliation works.</p> <p>In addition to Circular No. 17/2012/Fin dt. 28/3/12 and 30/2013/Fin dated 13/3/2013, this department has also issued G.O. (P) No. 476/2013/Fin dated 13-9-2013 in which it was strictly ordered to take vigorous efforts to clear all pending reconciliation certificates of receipts and expenditure upto 2012-13 before 30-9-2013. Besides, all the COs/COOs/HoDs have been directed to forward a quarterly progress report of reconciliation (both receipt and expenditure) directly to Finance (Inspection NTK) Department.</p> <p>The Finance (Inspection NTK) Department conducts periodical inspection at maximum possible offices throughout out the state where pending reconciliation is on the higher side and initiate disciplinary action against those officers found responsible for the pendency. Moreover, directions have also been</p>

given to all District Finance Inspecting Officers to conduct periodical inspection at District level offices to monitor reconciliation of accounts.

Due to the above efforts taken by Finance (Inspection NTK) Department, there has been considerable change in the pendency of reconciliation (more than 50% of the pendency has been cleared in nine months) as shown in the table below:

Sl. No.	Year	Pendency as on 27-2-13 as reported by AG		Pendency as on 6-11-13 as reported by AG	
		Receipt	Expenditure	Receipt	Expenditure
1	2006-07	-	45	-	45
2	2007-08	-	124	-	112
3	2008-09	-	82	-	82
4	2009-10	357	893	191	366
5	2010-11	632	1282	248	656
6	2011-12	693	1597	353	754
TOTAL		1682	4023	792	2015



V.K. BALACHANDRA KUMAR
Additional Secretary (Finance)
For Additional Chief Secretary (Finance)

GOVERNMENT OF KERALA

Finance (Budget Wing-D) Department

STATEMENT SHOWING THE ACTION TAKEN ON THE AUDIT PARA 2.5 OF THE C & AG REPORT ON STATE FINANCES FOR THE YEAR ENDED 31ST MARCH 2012

Para No	Department	Particulars of the recommendation	Action Taken
2.5	Finance	<p>The Contingency Fund of the State has been established under the Kerala Contingency Fund Act, 1957 in terms of provisions of Articles 267 (2) and 283 (2) of the Constitution of India. Advances from the Fund are to be made only for meeting expenditure of an unforeseen and emergent nature, postponement of which, till its authorization by the Legislature, would be undesirable. The Fund is in the nature of an imprest and its corpus is ₹ 100 crore. Till the close of the year, ₹ 20.80 crore under '6216-Loans for Housing (₹ 19.79 crore drawn on 30 March 2012) and under '5051-Capital Outlay on Ports and Light Houses' (₹ 1.01 crore drawn on 31 March 2012) was not recouped to the Fund</p>	<p>As per para 6(3) of the Kerala Contingency Fund Act 1957 (as amended by the Kerala Contingency Fund Amendment Act 1972), if any expenditure has been incurred during any year by taking an advance from the Contingency Fund and Supplementary Grant or Appropriation is not obtained during the same year for meeting such expenditure then the funds for such expenditure shall be provided in the next Financial Year either by means of a token supplementary grant, if savings are available from the grants in the annual financial statement or by a Supplementary Grant or Appropriation for the full amount 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. All the advances pending recoupment as on 30.3.2012 were accordingly recouped by obtaining provisions through the 1st Supplementary Demands for Grants 2012-13 presented to the Legislature in July 2012.</p>

GOVERNMENT OF KERALA
Finance (Budget Wing-K) Department

**STATEMENT OF REMEDIAL MEASURES TAKEN ON THE AUDIT PARA OF COMPTROLLER AND AUDIT GENERAL'S REPORT
(STATE FINANCE) FOR THE YEAR ENDED 31-03-2012**

Sl. No.	Para No.	Audit Observation	Action Taken
1	2.7(a)	<p>Subventions from Central Road Fund are released by the Government of India as grants to State Governments for incurring expenditure on schemes of road development approved by the Government of India. The amount so received are to be transferred to the reserve fund 'Subvention from Central Road Fund' by debit to the head of account '3054-05-797-99'. Though provision for the transfer of grant received is to be made every year in the budget, there was omission to make necessary provision in the budget for 2011-12. Consequently, on transfer of Rs.4.44 crore received from the Government of India to the reserve fund, there was uncovered excess expenditure of an equivalent amount under the head of account '3054-05-797-99' as there was no budget provision to cover the expenditure. No budget provision was made in the year 2010-11 also, to transfer the Government of India grant received resulting in uncovered excess expenditure to the tune of Rs.81.34 crore.</p>	<p>Government of India assistance of Central Road Fund works received as Revenue 'Non-plan grant', have been provided under 'Non-plan head' upto 2008-09. From 2009-10, estimates of Central Road Fund works have been included under 'Plan Revenue Head'. The Budget estimates for Central Road Fund works have been made under capital head '5054' from 2010-11 onwards, since these works are of capital in nature. During 2010-11, Budget Estimates for Central Road Fund work was included under 5054-03-337-96 (plan voted) - other Central Assistance. And from 2011-12, budget provision for Central Road Fund works were made under '5054-05-337-97 (PV)' 100% central assistance. During 2010-11 and 2011-12 even though necessary provisions were made under '1601' and '8449', no amount was provided under '3054-05-797-99'-subvention from Central Road Fund to transfer the fund received from Government of India to the reserve fund, which was an omission. In 2012-13 and 2013-14, necessary provisions were made under the head of account 3054-05-797-99 through final Supplementary Demands for Grants. From 2012-13 onwards necessary provisions are being made under 3054-05-797-99 - subventions from Central Road Fund to transfer the Fund received from Government of India to the reserve fund.</p>

Adarsh
Joint Secretary to Government
Finance Department
Kerala

STATEMENT OF ACTION TAKEN ON THE REPORT OF COMPTROLLER AND AUDITOR GENERAL OF INDIA FOR THE YEAR ENDED 31st MARCH 2012.

Para No.	Recommendation	Action Taken
2.7(b)	<p>Special Development fund for MLAs was constituted in 2001 on the pattern of MP Local Area Development (MPLAD) Scheme for creation of assets for public use at large. Right from the inception of the Scheme, the expenditure was classified under the Revenue Section of the Government Accounts. However, during the current year ₹ 143.50 crore was provided under the Capital Section and an expenditure of 142.75 crore has been booked as expenditure under the scheme. As the assets created do not wholly belong to Government, there is no justification for capitalizing the expenditure under MLA fund. As the Special Development Fund for MLAs was constituted in line with MPLAD scheme, classification of expenditure under MLA fund different from MPLAD scheme needs to be reconsidered (expenditure of MPLAD scheme is classified under Revenue Section-Major head 2553-MPs Local Area Development Scheme). Specific reasons changing the accounting classification from the Revenue Section to</p>	<p>Special Development Fund for MLAs was constituted in the State in 2001 on the pattern of MP Local Area Development (MPLAD) Scheme with a view to initiate comprehensive Developmental activities by taking in to consideration the local needs and priorities. Each MLA is provided with an allocation of ₹ 100 lakhs every year for initiating developmental activities wherever necessary in the constituency. As per the guidelines issued as per G.O(P) No. 247/2004/Fin dated 27/05/2004 the projects taken up under this scheme are developmental in nature aimed at creation of durable capital assets for public at large. So allocation for this scheme has been made under "4250-800-99" from 2011 -12 onwards. The fund earmarked under the above head of account is meant for the projects implemented by different State Government agencies such as</p>

	<p>the Capital Section (2075-800-28 to 4250-800-99) for accounting transactions under Special Development fund for MLAs have not been furnished by Government (September 2012). Consequent on this wrong classification revenue expenditure and revenue deficit of the State Government is understated by ₹142.75 crore.</p>	<p>PWD, Rural Development, Irrigation, Agriculture, Health, Education, Area Development Authorities, Water Authority, Housing Board etc based on the proposal from MLAs. Since the funds for the scheme is for the creation of durable assets for public use at large the present system of providing funds under capital sector is justifiable.</p>
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A. Radhakrishnan

A. RADHAKRISHNAN
ADDITIONAL SECRETARY (FINANCE)

GOVERNMENT OF KERALA
FINANCE (STREAMLINING) DEPARTMENT
STATEMENT OF ACTION TAKEN ON THE AUDIT PARA CONTAINED IN THE REPORT OF THE COMPTROLLER AND
AUDITOR GENERAL FOR THE YEAR ENDED ON 31.03.2012.

Sl. No.	Para No.	Audit Para	Statement of Action Taken on the Audit Para
1	2.4.1	<p><u>Pendency-in submission of Detailed Countersigned</u></p> <p><u>Contingent bills against Abstract Contingent bills.</u></p> <p>According to Rule 187 (d) of the Kerala Treasury Code, all contingent claims that require the countersignature of the controlling authority after payment are to be initially drawn by the Drawing and Disbursing Officer (DDO) from the treasury by presenting Abstract Contingent bills in the prescribed form (Form TR 60). Abstract Contingent (AC) bills can be drawn only by an authorised officer for the items of expenditure listed in Appendix 5 to the Kerala Financial Code. The Drawing and Disbursing Officer should maintain a register of AC bills and monitor submission of detailed bills there against. The Detailed Contingent (DC) bills in respect of such claims should be submitted to the controlling authority for countersignature not later than the 10th of the month succeeding that to which they relate. The detailed bills pertaining to a month's claim should reach the Principal Accountant General (A&E), Kerala not later than the</p>	<p>As per the latest report of Accountant General (A&E), Dated 03.04.2014 only one AC bill related to Agriculture Department was pending for settlement for the year ended on 31.3.2012. The Principal Agricultural Officer, Thrissur has reported that the Abstract Contingent bill drawn on February 2012 has been adjusted and corresponding DC bill sent to AG (A&E) for verification. Thus all the Abstract Contingent bills up to 31.3.2012 has been settled.</p>

20th of the succeeding month.

According to the records maintained by the Principal Accountant General (A&E), Kerala, 51 AC bills drawn by 42 Drawing and Disbursing Officers upto March 2012 involving ₹ 3.36 crore were not adjusted as of June 2012 due to non-receipt of DC bills, details of which are enumerated in Appendix 2.17. Year-wise details are given in Table 2.6. Non-submission of DC bills leads to retention of advance amount drawn with the drawing officer and the advance drawn remains unaccounted under the proper heads of account.

Table 2.6: Pendency in submission of Detailed Countersigned contingent bills against Abstract Contingent bills.

Year	AC bills		DC bills		DC bills as percentage of AC bills	Outstanding AC bills	
	Number	Amount	Number	Amount		Number	Amount
2009-10	367	5.98	365	4.58	99	2	1.40
2010-11	395	3.52	368	2.91	96	7	0.61
2011-12	384	4.04	342	2.69	89	42	1.35
Total	1146	13.54	1095	10.18		51	3.36

(₹ in crore)


Source: Information furnished by Principal Accountant General (A&E)

GOVERNMENT OF KERALA

FINANCE (STREAMLINING) DEPARTMENT

**STATEMENT OF ACTION TAKEN ON THE AUDIT PARA CONTAINED IN THE REPORT OF THE COMPTROLLER AND
AUDITOR GENERAL FOR THE YEAR ENDED ON 31.03.2012.**

Sl. No.	Para No.	Audit Para	Statement of Action Taken on the Audit Para
1.	2.8.2	<p align="center"><u>Mustering of Pensioners</u></p> <p>In terms of Rule 280 (a) of the Kerala Treasury Code Vol.I, the Treasury Officer should conduct mustering of pensioners annually in the case of pensioners/ family pensioners / Pension . Treasury Savings Bank Account holders and once in three years, where payment of pension is made through money orders. These provisions are made to prevent fraudulent payments. However, in 271 cases, in 85 treasuries as listed in Appendix 2.20, deficiency in mustering of pensioners was noticed.</p>	<p>Mustering of pensioners in all the 271 cases in 35 Treasuries listed in Appendix 2.20 are completed.</p> <p align="right">- L W</p>


K. JAYAKUMAR
 Joint Secretary (Finance)
 Govt. of Kerala

Audit Report (State Finances) for the year ended 31 March 2011

Appendix from A.C.'s Report

Appendix III (C)

Savings in excess of ₹ 10 crore in each case and more than 20 per cent of the total provision

(Reference: Paragraph 2.3.1; Page 36)

(₹ in crore)

Revenue Voted					
1	XIV	Stationery and Printing and Other Administrative Services	257.57	55.24	21
2	XX	Water Supply and Sanitation	652.02	263.15	40
3	XXI	Housing	168.49	70.07	42
4	XXII	Urban development	937.17	563.04	60
5	XXXVI	Community Development	360.47	96.96	27
Capital Voted					
6	XV	Public Works	2658.98	1186.14	45
7	XVII	Education, Sports, Art and Culture	108.49	22.31	21
8	XVIII	Medical and Public Health	126.04	27.26	22
9	XX	Water Supply and Sanitation	657.00	444.47	68
10	XXV	Welfare of Scheduled Castes/ Scheduled Tribes and Other Backward Classes	110.38	37.90	34
11	XXIX	Agriculture	126.91	77.29	61
12	XXXVIII	Irrigation	466.20	204.65	44
13	XLI	Transport	442.27	112.02	25
14	XLII	Tourism	52.51	17.90	34
Capital Charged					
15	XV	Public Works	72.44	29.61	41
16		Public Debt Repayment	12351.10	10376.07	84

Appendix ~~II~~ III (2)

Savings in excess of ₹ 10 crore in each case and more than 20 per cent of the total provision

(₹ in crore)				
SLNo.	Grant number and Name	Total Grant/ Appropriation	Savings	Percentage of savings
Revenue - Voted				
1.	XX Water Supply and Sanitation	603.83	220.79	36.56
2.	XXII Urban Development	645.52	371.44	57.54
3.	XXIV Labour and Labour Welfare	584.27	155.01	26.33
4.	XXXVI Community Development	457.61	187.61	41.00
5.	XXXVIII Irrigation	320.87	87.30	27.21
6.	XLII Tourism	197.19	48.98	24.84
Capital - Voted				
7.	XVII Education, Sports, Art and Culture	229.58	151.01	65.78
8.	XVIII Medical and Public Health	162.20	44.74	27.58
9.	XX Water Supply and Sanitation	533.64	210.50	39.45
10.	XXV Welfare of Scheduled Castes/ Scheduled Tribes and Other Backward Classes	100.51	51.42	51.16
11.	XXIX Agriculture	227.30	135.03	59.41
12.	XXXV Panchayat	71.74	45.00	62.73
13.	XXXVIII Irrigation	739.23	576.13	77.94
14.	XXXIX Power	36.05	36.00	99.86
Capital - Charged				
15.	Public Debt Repayment	9145.37	6252.31	68.37
Total		14054.91	8573.27	

Appendix ~~21~~ III (3)

Statement of persistent savings for the last three years
(Savings of ₹ five crore and above in each case)

			(₹ in crore)			
Sl. No.	Grant number	Head of account	Financial year	Budget provision	Actual Expenditure	Savings
1.	VI	2029-00-102-99-Survey Department (General)	2009-2010	9.57	4.39	5.18
			2010-2011	14.29	4.48	9.81
			2011-2012	13.14	6.85	6.29
2.	XII	2055-00-104-99-Armed Police	2009-2010	145.16	89.95	55.21
			2010-2011	145.44	114.41	31.03
			2011-2012	202.44	188.14	14.30
3.	XV	2059-80-001-97-Execution	2009-2010	64.33	55.92	8.41
			2010-2011	69.41	61.79	7.62
			2011-2012	93.98	88.43	5.55
4.	XIV	2070-00-108-98-Protection and Control	2009-2010	54.54	46.79	7.75
			2010-2011	65.51	46.18	19.33
			2011-2012	92.44	71.71	20.73
5.	XVII	2202-02-109-99-Secondary Schools	2009-2010	525.93	443.29	82.64
			2010-2011	523.04	488.87	34.17
			2011-2012	767.96	717.71	50.25
6.		2202-02-109-86-Higher Secondary Education (Plus two Courses)	2009-2010	356.32	227.66	128.66
			2010-2011	397.08	280.94	116.14
			2011-2012	580.56	403.62	176.94
7.		2202-02-110-95-Aided Vocational Higher Secondary Schools-Teaching Grant	2009-2010	61.01	54.59	6.42
			2010-2011	71.97	62.98	8.99
			2011-2012	101.37	90.19	11.18
8.		2202-03-104-99-Salaries to the staff under the Direct Payment System	2009-2010	501.57	418.14	83.43
			2010-2011	560.25	504.05	56.20
			2011-2012	937.48	754.08	203.40
9.		2204-00-104-24-35 ^a National Games	2009-2010	20.25	4.30	15.95
			2010-2011	58.47	5.00	53.47
			2011-2012	20.50	0.50	20.00
10.		4202-02-800-95-ITI Buildings Works	2009-2010	7.14	0.17	6.97
			2010-2011	9.00	0.57	8.43
			2011-2012	11.25	1.73	9.52
11.	XVIII	2210-01-110-97-Allopathy Medical College Hospital, Kozhikode	2009-2010	34.24	27.98	6.26
			2010-2011	40.29	28.93	11.36
			2011-2012	47.31	40.04	7.27
12.		2210-02-102-99-Hospitals and Dispensaries	2009-2010	44.84	39.15	5.69
			2010-2011	50.91	43.85	7.06
			2011-2012	69.71	61.96	7.75
13.		2210-06-101-91-Leprosy Control Scheme	2009-2010	19.66	6.19	13.47
			2010-2011	23.05	6.24	16.81
			2011-2012	31.85	9.25	22.60

Sl. No.	Grant number	Head of account	Financial year	Budget provision	Actual Expenditure	Savings
14.	XX	2215-01-190-99-Grant-in-aid to the Kerala Water Authority	2009-2010	285.16	268.16	17.00
			2010-2011	258.43	190.43	68.00
			2011-2012	280.86	240.12	40.74
15.		2215-01-800-67-Add-on Project of Jalamidhi	2009-2010	31.00	0.00	31.00
			2010-2011	100.00	6.00	94.00
			2011-2012	112.50	25.00	87.50
16.	XXII	2217-05-191-80- Integrated Housing and Slum Development Programme (State Scheme)	2009-2010	38.40	0.57	37.83
			2010-2011	20.62	1.75	18.87
			2011-2012	16.50	0.00	16.50
17.		2217-05-192-82-Swarna Jayanthi Shahari Rozgar Yojana (SJSRY) (75% CA)	2009-2010	7.68	0.00	7.68
			2010-2011	8.95	0.00	8.95
			2011-2012	9.46	2.36	7.10
18.		2217-05-192-81-Integrated Housing and Slum Development Programme (State Scheme)	2009-2010	89.60	35.08	54.52
			2010-2011	48.12	38.92	9.20
			2011-2012	38.50	6.75	31.75
19.		2217-05-800-89-Jawaharlal Nehru National Urban Renewal Mission (Central Assistance)	2009-2010	248.65	76.34	172.31
			2010-2011	223.59	32.49	191.10
			2011-2012	175.60	108.18	67.42
20.		2217-05-800-83-Basic Services to the Urban Poor (BSUP)	2009-2010	200.00	26.14	173.86
			2010-2011	102.00	74.82	27.18
			2011-2012	121.00	0.83	120.17
21.		2217-80-800-91-Kerala Sustainable Urban Development Project	2009-2010	220.91	150.00	70.91
			2010-2011	279.67	71.00	208.67
			2011-2012	105.00	50.00	55.00
22.	XXVI	2245-01-101-99-Supply of Seeds, Fertilizers and Agricultural Implements	2009-2010	9.00	0.13	8.87
			2010-2011	13.00	0.55	12.45
			2011-2012	14.02	0.00	14.02
23.	XXIX	2702-01-800-94-Minor Irrigation Projects Maintenance	2009-2010	77.60	58.77	18.83
			2010-2011	68.02	55.73	12.29
			2011-2012	61.65	48.45	13.20
24.	XXXVI	2515-00-001-49-Recurring expenditure on Personnel Retained on NES Pattern	2009-2010	79.52	74.35	5.17
			2010-2011	83.73	67.56	16.17
			2011-2012	119.95	98.82	21.13
25.		2515-00-102-61-Restructured Central Rural Sanitation Programme	2009-2010	20.42	4.44	15.98
			2010-2011	40.00	11.32	28.68
			2011-2012	40.00	0.73	39.27
26.	XLI	3056-00-001-98-Operation	2009-2010	23.97	16.70	7.27
			2010-2011	26.52	18.37	8.15
			2011-2012	35.62	25.25	10.37
27.		5075-60-800-86-Development of Feeder Canals connecting the National Water Way III (RIDF Scheme)	2009-2010	40.00	0.00	40.00
			2010-2011	40.00	0.00	40.00
			2011-2012	40.00	4.75	35.25
28.	XLVI	2235-60-200-76-National Social Assistance Programme	2009-2010	107.00	28.92	78.08
			2010-2011	100.34	16.22	84.12
			2011-2012	57.77	18.25	39.52

Appendix ~~22~~ III up

Excess over provision of previous years requiring regularisation

1990-91	1 Grant	Revenue - XXVIII	3658715	Notes vetted by audit. Not yet discussed by PAC.
1992-93	1 Grant	Capital - XXV	367400	Notes vetted by audit. Not yet discussed by PAC.
1995-96	1 Grant	Revenue - XXVI	211210533	Notes vetted by audit. Not yet discussed by PAC.
1996-97	1 Appropriation	Capital - XXV	32791	Notes vetted by audit. Not yet discussed by PAC.
1997-98	1 Grant	Capital - XXV	39265631	Notes vetted by audit. Not yet discussed by PAC.
1998-99	1 Grant	Revenue - XXV	78764570	Notes vetted by audit. Not yet discussed by PAC.
2000-01	1 Grant	Revenue - XXV	146560697	Notes vetted by audit. Not yet discussed by PAC.
2001-02	2 Grants	Revenue - XI	193559472	Notes vetted by audit. Not yet discussed by PAC.
		Capital - XVII	97209059	Notes vetted by audit. Not yet discussed by PAC.
2003-04	3 Grants	Revenue - XVII	1218609617	Final/Revised copies of notes not received. Not yet discussed by PAC
		Revenue - XI	41122987	Notes vetted by audit. Not yet discussed by PAC.
		Revenue - XLIII	26400000	Notes vetted by audit. Not yet discussed by PAC.
2006-07	1 Grant	Revenue - XLII	12772873	Notes vetted by audit. Not yet discussed by PAC.
2008-09	5 Grants	Revenue - XV	992290290	Notes vetted by audit. Not yet discussed by PAC.
		Revenue - VII	35486464	Notes vetted by audit. Not yet discussed by PAC.
		Revenue - IX	2422867	Notes vetted by audit. Not yet discussed by PAC.
		Revenue - XII	2837441	Notes vetted by audit. Not yet discussed by PAC.
		Capital - XII	1986814	Notes vetted by audit. Not yet discussed by PAC.
	1 Appropriation	Capital - XXXVIII	662216	Notes vetted by audit. Not yet discussed by PAC.
2009-10	8 Grants	Revenue - III	1040075	Final/Revised copies of notes not received. Not yet discussed by PAC
		Revenue - V	58149523	Initial notes not received. Not yet discussed by PAC
		Revenue - VII	55510479	Initial notes not received. Not yet discussed by PAC
		Revenue - IX	16630122	Final/Revised copies of notes not received. Not yet discussed by PAC
		Revenue - XXVIII	13036755	Initial notes not received. Not yet discussed by PAC
		Revenue - XXXI	26833060	Final/Revised copies of notes not received. Not yet discussed by PAC
		Revenue - XXXIV	32216217	Final/Revised copies of notes not received. Not yet discussed by PAC
		Capital - XIX	4016	Initial notes not received. Not yet discussed by PAC
	2 Appropriations	Revenue - XI	161640	Notes vetted by audit. Not yet discussed by PAC.
		Revenue - XVI	27128083	Initial notes not received. Not yet discussed by PAC

Appendix II (5)
Excess over provision of previous years requiring regularisation

Year	Number of Grants/Appropriations	Grant/Appropriation numbers	Amount of excess (In ₹)	Stage of consideration by Public Accounts Committee (PAC)
1990-91	1 Grant	Revenue - XXVIII	3658715	Notes considered by PAC. Appropriation Act not yet passed
1992-93	1 Grant	Capital - XXV	367400	Notes considered by PAC. Appropriation Act not yet passed
1995-96	1 Grant	Revenue - XXVI	211210533	Notes considered by PAC. Appropriation Act not yet passed
1996-97	1 Appropriation	Capital - XXV	32791	Notes considered by PAC. Appropriation Act not yet passed
1997-98	1 Grant	Capital - XXV	39265631	Notes considered by PAC. Appropriation Act not yet passed
1998-99	1 Grant	Revenue - XXV	78764570	Notes considered by PAC. Appropriation Act not yet passed
2000-01	1 Grant	Revenue - XXV	146560697	Notes considered by PAC. Appropriation Act not yet passed
2001-02	2 Grants	Revenue - XI	193559472	Notes considered by PAC. Appropriation Act not yet passed
		Capital - XVIII	97209059	Notes considered by PAC. Appropriation Act not yet passed
2003-04	3 Grants	Revenue - XVII	1218609617	Final copies of the notes received. Not yet discussed by PAC
		Revenue - XI	41122987	Notes considered by PAC. Appropriation Act not yet passed
		Revenue - XLIII	26400000	Notes considered by PAC. Appropriation Act not yet passed
2006-07	1 Grant	Revenue - XLII	12772873	Notes considered by PAC. Appropriation Act not yet passed
2008-09	5 Grants	Revenue-VII	35486464	Notes considered by PAC. Appropriation Act not yet passed
		Revenue-IX	2422867	Notes considered by PAC. Appropriation Act not yet passed
		Revenue-XII	2837441	Notes considered by PAC. Appropriation Act not yet passed
		Capital-XII	1986814	Notes considered by PAC. Appropriation Act not yet passed
		Revenue-XV	992290290	Notes considered by PAC. Appropriation Act not yet passed
	1 Appropriation	Capital- XXXVIII	662216	Notes considered by PAC. Appropriation Act not yet passed

Year	Number of Grants/ Appropriations	Grant/ Appropriation numbers	Amount of excess (In ₹)	Stage of consideration by Public Accounts Committee (PAC)
2009-10	2 Appropriations	Revenue – XI	161640	Notes considered by PAC. Appropriation Act not yet passed
		Revenue – XVI	27128083	Initial notes not yet received. Not yet discussed by PAC
	8 Grants	Revenue-III	1040075	Notes considered by PAC. Appropriation Act not yet passed
		Revenue-XXVIII	13036755	Final copies of the notes received. Not yet discussed by PAC
		Revenue –XXXIV	32216217	Final copies of the notes received. Not yet discussed by PAC
		Revenue-IX	16630122	Notes vetted by Audit. Final copies of the notes not yet received. Not yet discussed by PAC
		Revenue-V	58149523	Initial notes not yet received. Not yet discussed by PAC
		Revenue-VII	55510479	Initial notes not yet received. Not yet discussed by PAC
		Capital-XIX	4016	Final copies of the notes received. Not yet discussed by PAC
		Revenue – XXXI	26833060	Initial notes not yet received. Not yet discussed by PAC
2010-11	1 Grant	Capital – XII	1439000	Initial notes not yet received. Not yet discussed by PAC
	2 Appropriations	Capital-XXIX	54916	Final copies of the notes received. Not yet discussed by PAC
		Capital-XXXII	83	Final copies of the notes received. Not yet discussed by PAC
Total			3337624406	

Appendix 2- (11C6)
**Cases where supplementary provision (₹ 50 lakh or more in each case)
 proved unnecessary**

Revenue (Voted)						
1	II	Heads of States, Ministers and Headquarters Staff	265.56	230.40	35.16	14.82
2	X	Treasury and Accounts	109.27	106.34	2.93	9.19
3	XII	Police	1149.52	1140.93	8.59	9.68
4	XIII	Jails	51.64	50.63	1.01	0.72
5	XIV	Stationery and Printing and Other Administrative Services	206.53	202.33	4.20	51.04
6	XVII	Education, Sports, Art and Culture	7004.66	6939.33	65.33	244.23
7	XX	Water Supply and Sanitation	598.58	388.87	209.71	53.44
8	XXI	Housing	154.73	98.42	56.31	13.77
9	XXII	Urban development	932.17	374.13	558.04	5.00
10	XXV	Welfare of Scheduled Castes/Scheduled Tribes and Other Backward Classes	844.40	775.17	69.23	24.81
11	XXIX	Agriculture	973.28	904.82	68.46	34.89
12	XXXIV	Forest	258.20	221.65	36.55	8.06
13	XXXV	Panchayat	138.55	131.46	7.09	12.35
14	XXXVI	Community Development	285.46	263.51	21.95	75.01
15	XXXVIII	Irrigation	233.43	208.39	25.04	9.44
16	XLI	Transport	34.49	27.64	6.85	1.29
17	XLVI	Social Security and Welfare	1104.73	1079.56	25.17	169.89
Capital (Voted)						
18	XV	Public Works	2470.53	1472.84	997.69	188.45

Appendix 2 ^{III (7)}
Cases of excessive supplementary grants/appropriations
(Savings of ₹ one crore and above)

(₹ in crore)

Revenue (Voted)								
1.	III	Administration of Justice	220.80	59.29	280.09	254.48	25.61	26.26 (+) 0.65
2.	IV	Elections	78.16	24.10	102.26	93.53	8.73	7.48 1.25
3.	V	Agricultural Income Tax and Sales Tax	126.36	6.04	132.40	127.85	4.55	9.04 (+) 4.49
4.	XI	District Administration and Miscellaneous	279.23	69.56	348.79	321.14	27.65	26.05 1.60
5.	XV	Public Works	824.41	403.36	1227.77	1134.00	93.77	6.76 87.01
6.	XVI	Pensions and Miscellaneous	6017.99	582.60	6600.59	6365.74	234.85	48.27 186.58
7.	XVIII	Medical and Public Health	1730.58	68.24	1798.82	1761.75	37.07	62.09 (+) 25.02
8.	XXIII	Information and Publicity	27.73	7.58	35.31	29.75	5.56	4.92 0.64
9.	XXIV	Labour and Labour Welfare	366.38	110.70	477.08	400.89	76.19	58.69 17.50
10.	XXVI	Relief on account of natural calamities	207.82	125.09	332.91	282.33	50.58	50.04 0.54
11.	XXVII	Co-operation	116.63	91.42	208.05	195.27	12.78	14.77 (+) 1.99
12.	XXVIII	Miscellaneous Economic Services	60.98	19.15	80.13	71.74	8.39	6.79 1.60
13.	XXX	Food	194.80	204.24	399.04	395.70	3.34	5.07 (+) 1.73
14.	XXXI	Animal Husbandry	263.97	16.95	280.92	275.98	4.94	6.37 (+) 1.43
15.	XXXIII	Fisheries	97.81	116.51	214.32	207.85	6.47	6.96 (+) 0.49
16.	XXXVII	Industries	291.07	50.12	341.19	309.12	32.07	26.52 5.55
17.	XL	Ports	28.23	9.28	37.51	28.43	9.08	8.80 0.28
18.	XLII	Tourism	104.94	42.58	147.52	136.62	10.90	6.12 4.78
19.	XLIII	Compensation and Assignments	2696.49	91.54	2788.03	2785.92	2.11	0 2.11
Revenue (Charged)								
20.	III	Administration of Justice	44.10	1.92	46.02	44.59	1.43	1.56 (+) 0.13
21.	XVI	Pensions and Miscellaneous	10.76	2.00	12.76	11.58	1.18	1.61 (+) 0.43
Capital (Voted)								
22.	XVII	Education, Sports, Art and Culture	46.26	62.23	108.49	86.18	22.31	21.70 0.61
23.	XXI	Housing	22.44	126.97	149.41	143.13	6.26	7.92 (+) 1.66
24.	XXIV	Labour and Labour Welfare	4.00	2.63	6.63	4.90	1.73	1.36 0.37
25.	XXVII	Co-operation	69.03	296.48	365.51	352.32	13.19	13.00 0.19
26.	XXXI	Animal Husbandry	8.75	10.00	18.75	10.13	8.62	8.61 0.01
27.	XXXIII	Fisheries	79.86	34.09	113.95	92.26	21.69	21.66 0.03

28	XXXVII Industries	329.92	288.43	618.35	566.44	51.91	14.29	37.62
29	XLI Transport	260.27	182.00	442.27	330.25	112.02	95.92	16.10
30	XLII Tourism	30.72	21.79	52.51	34.61	17.90	0.54	17.36
Capital (Charged)								
31	XXXVIII Irrigation	0.36	5.96	6.32	4.37	1.95	1.47	0.48

Appendix ~~25~~ III
Excess/Unnecessary/Insufficient re-appropriation of funds

(₹ in lakh)

1	II Heads of States, Ministers and Head quarters staff	3451-101-53	(-) 593.00	(-) 1508.00
2	V Agricultural Income Tax and Sales Tax	2040-101-97	(-) 787.76	395.81
3	VI Land Revenue	2029-102-95	(-) 834.42	(-) 268.57
4		2029-101-99	(-) 581.15	233.52
5	VII Stamps and Registration	2030-02-101-99	15.20	(-) 385.96
6	VIII Excise	2039-001-98	(-) 841.54	361.48
7		2039-001-99	(-) 177.28	380.47
8	Debt Charges	2049-04-101	0.01	(-) 4151.37
9		2049-03-115-98	3779.30	16377.44
10		2049-03-104-99	3495.20	2891.82
11	X Treasury and Accounts	2054-097-98	(-) 459.71	215.01
12	XII Police	2055-104-99	(-) 3739.10	635.72
13		2055-115-99	(-) 1186.10	510.00
14		2055-101-98	171.88	(-) 289.50
15		2055-109-99	5218.94	(-) 1724.13

1		2055-101-99	(-) 127.32	845.12
6				
1	XIV Stationery and Printing and Other Administrative Services	2058-103-99	(-) 46.24	(-) 247.83
7				
1	XV Public Works			
8		3054-80-800-94	(-) 692.00	(-) 289.09
1				
9		3054-03-337-98	8832.00	(-) 5630.39
2				
0		5054-04-337-83	(-) 61261.09	215.28
2				
1		5054-04-101-86	(-) 35202.25	(-) 4615.08
2				
2		5054-04-337-82	(-) 22000.00	(-) 685.63
2				
3		5054-03-337-95	(-) 400.00	(-) 288.63
2				
4		4059-01-051-72	(-) 76.32	(-) 223.68
2				
5		5054-03-101-99	4.81	(-) 299.86
2				
6		5054-80-800-81	314.28	(-) 430.41
2				
7		5054-04-337-99	28743.54	(-) 1155.71
2				
8		5054-80-001-99	11329.87	(-) 405.27
2				
9		5054-04-101-96	5766.06	(-) 570.30
3				
0		5054-04-337-94	6342.67	(-) 1437.57
3				
1		5054-04-101-99	5356.00	(-) 1220.51
3				
2		5054-03-337-98	2239.55	(-) 815.37
3				
3		4059-60-051-98	62.87	329.28
3				
4		5054-04-101-98	405.92	(-) 221.67

3		5054-04-337-91	634.72	(-) 458.13
5				
3		5054-04-101-95	4013.83	(-) 3998.87
6				
3		5054-04-337-89	494.23	(-) 493.55
7				
3		5054-04-800-88	(-) 934.63	(-) 2925.49
8				
3	XVI Pensions and Miscellaneous	2071-01-109-98	466.38	(-) 467.34
9				
4	XVII Education, Sports, Art and Culture	2202-02-109-86	0.85	(-) 11615.17
0				
4		2202-03-104-99	(-) 4965.05	(-) 655.52
1				
4		2202-02-109-99	(-) 209.47	(-) 3207.03
2				
4		2202-02-800-87	(-) 25.18	(-) 2312.10
3				
4		2202-01-101-98	(-) 18.63	(-) 1579.71
4				
4		2202-02-110-95	3.23	(-) 902.27
5				
4		2203-103-99	(-) 16.63	(-) 390.06
6				
4		2202-02-108-99	(-) 72.85	(-) 296.93
7				
4		2202-02-109-93	(-) 3.32	(-) 274.58
8				
4		2202-01-102-99	(-) 101.12	10214.20
9				
5		2202-02-110-99	(-) 237.57	3661.01
0				
5		2202-01-101-99	(-) 116.05	3422.69
1				
5		2202-03-103-99	1120.97	1284.08
2				
5		2202-02-110-94	27.32	1853.36
3				

5 4		2202-02-001-99	30.64	426.93
5 5	XVIII Medical and Public Health	2210-06-101-91	(-) 10.68	(-) 1670.31
5 6		2210-01-102-98	(-) 62.59	(-) 1447.41
5 7		2210-01-110-96	(-) 31.09	(-) 1152.47
5 8		2210-01-110-97	(-) 125.16	(-) 1011.17
5 9		2210-03-110-99	(-) 508.54	(-) 482.35
6 0		2210-02-102-99	(-) 59.73	(-) 646.86
6 1		2210-06-101-97	(-) 51.98	(-) 342.65
6 2		2210-05-105-75	(-) 3.11	(-) 368.71
6 3		2210-06-101-79	(-) 0.84	(-) 339.43
6 4		2210-06-101-85	(-) 1.18	(-) 335.48
6 5		2210-01-110-95	(-) 21.76	(-) 307.72
6 6		2210-01-110-90	(-) 2.49	(-) 246.18
6 7		2210-05-105-19	(-) 20.31	(-) 221.61
6 8		2210-01-104-99	(-) 14.21	(-) 221.58
6 9		2210-03-103-99	(-) 193.32	3007.75
7 0		2210-05-105-96	(-) 72.47	1566.73
7 1		2210-05-105-97	(-) 362.10	1812.75
7 2		2210-06-003-97	(-) 7.67	1159.86

7 3		2210-05-105-94	12.37	1002.90
7 4		2210-01-110-98	(-) 506.80	1519.17
7 5		2210-05-105-98	(-) 380.58	1234.41
7 6		2210-05-105-95	(-) 45.73	801.99
7 7		2210-05-105-92	2.22	293.89
7 8	XIX Family Welfare	2211-101-96	(-) 3872.09	(-) 672.12
7 9		2211-001-98	(-) 0.45	(-) 214.49
8 0	XX Water Supply and Sanitation	6215-01-190-98	(-) 50354.00	271.45
8 1	XXI Housing	4216-01-106-96	(-) 250.00	250.00
8 2	XXII Urban Development	2217-05-192-82	(-) 89.52	(-) 805.68
8 3		2217-05-191-86	(-) 59.68	(-) 537.12
8 4	XXIV Labour and Labour Welfare	2230-01-800-97	(-) 700.00	(-) 635.43
8 5	XXV Welfare of Scheduled Castes/Scheduled Tribes and Other Backward Classes	2225-01-197-50	28.56	(-) 373.80
8 6	XXIX Agriculture	4402-203-97	(-) 304.50	(-) 575.50
8 7		4402-203-98	304.50	(-) 224.50
8 8	XXXI Animal Husbandry	2403-103-99	1.35	(-) 414.37
8 9		2403-102-99	(-) 25.14	(-) 211.10
9 0		2403-101-98	(-) 236.95	949.07
9 1	XXXIV Forest	2406-01-001-99	484.52	(-) 387.57

9 2	XXXV Panchayat	2515-800-81	(-) 1519.68	942.48
9 3	XXXVI Community Development	2515-001-49	(-) 1312.06	(-) 305.71
9 4	XXXVII Industries	6885-60-190-99	(-) 1000.00	(-) 500.00
9 5	XXXVIII Irrigation	2701-80-001-97	(-) 324.00	(-) 235.56
9 6	XLII Tourism	3452-80-001-95	(-) 22.24	(-) 256.28
9 7	Public Debt Repayment	6004-02	(-) 1614.11	229.97
9 8	XLVI Social Security and Welfare	2235-60-191-50	115.89	(-) 4429.91
9 9		2235-02-102-98	(-) 1469.54	(-) 2390.43
1 0 0		2235-02-106-99	(-) 249.76	209.50
1 0 1		2235-60-198-50	4612.53	2008.25
1 0 2		2235-60-192-50	420.98	(-) 247.40

Appendix 2 ^{III (9)}

Cases where supplementary provision (₹ 50 lakh or more in each case) proved unnecessary

(₹ in crore)

Sl. No.	Number and name of Grant	Original Provision	Actual Expenditure	Savings out of original provision	Supplementary provision
Revenue - Voted					
1.	III Administration of Justice	339.71	330.52	9.19	15.15
2.	IV Elections	109.03	100.01	9.02	1.20
3.	VI Land Revenue	337.01	310.51	26.50	2.57
4.	X Treasury and Accounts	153.55	150.48	3.07	2.08
5.	XIV Stationery and Printing and Other Administrative Services	317.02	292.86	24.16	10.09
6.	XVII Education, Sports, Art and Culture	10019.15	9564.38	454.77	66.93
7.	XX Water Supply and Sanitation	602.83	383.04	219.79	1.00
8.	XXI Housing	122.49	105.54	16.95	4.12
9.	XXII Urban Development	623.02	274.08	348.94	22.50
10.	XXIV Labour and Labour Welfare	529.44	429.26	100.18	54.83
11.	XXVI Relief on account of Natural Calamities	314.82	272.89	41.93	9.03
12.	XXIX Agriculture	1451.97	1372.60	79.37	95.20
13.	XXXIV Forest	317.63	304.58	13.05	5.70
14.	XXXV Panchayat	191.70	185.31	6.39	16.79
15.	XXXVI Community Development	350.29	270.00	80.29	107.32
16.	XXXVIII Irrigation	320.27	233.57	86.70	0.60
17.	XLII Tourism	186.92	148.21	38.71	10.26
Capital - Voted					
18.	XVII Education, Sports, Art and Culture	174.45	78.57	95.88	55.13
19.	XXI Housing	301.34	299.15	2.19	7.07
20.	XXIX Agriculture	154.94	92.27	62.67	72.36
21.	XXXVIII Irrigation	532.87	163.10	369.77	206.35
22.	XLI Transport	361.39	319.25	42.14	27.35
Total		17811.84	15680.18	2131.66	793.63

Appendix 25 ^{III}(10)
Cases of excessive supplementary Grants/Appropriations
(Savings of ₹ one crore and above)

(₹ in crore)								
Sl. No.	Number and name of Grant/Appropriation	Original	Supplementary	Total	Expenditure	Savings	Surrender of funds	Net Savings(-)/ Excess(+)
Revenue - Voted								
1.	II Heads of States, Ministers and headquarters staff	307.46	14.78	322.24	313.66	8.58	13.87	(-) 5.29
2.	XV Public Works	1477.14	314.10	1791.24	1601.36	189.88	84.46	105.42
3.	XVIII Medical and Public Health	2406.39	171.32	2577.71	2477.05	100.66	86.86	13.80
4.	XXIII Information and Publicity	47.37	18.06	65.43	61.07	4.36	3.42	0.94
5.	XXV Welfare of Scheduled Castes/ Scheduled Tribes and Other Backward Classes	940.55	197.78	1138.33	1062.87	75.46	63.05	12.41
6.	XXVII Co-operation	166.35	36.78	203.13	185.36	17.77	1.35	16.42
7.	XXX Food	619.05	208.95	828.00	813.25	14.75	16.16	(-) 1.41
8.	XXXI Animal Husbandry	323.50	23.75	347.25	336.23	11.02	17.41	(-) 6.39
9.	XXXII Dairy	98.46	9.07	107.53	106.04	1.49	0.55	0.94
10.	XXXIII Fisheries	151.41	62.94	214.35	211.99	2.36	3.02	(-) 0.66
11.	XXXVII Industries	299.64	24.94	324.58	317.80	6.78	2.51	4.27
12.	XLIII Compensation and Assignments	3336.48	83.35	3419.83	3398.76	21.07	0.27	20.80
13.	XLVI Social Security and Welfare	1255.01	398.36	1653.37	1531.80	121.57	55.28	66.29
Revenue - Charged								
14.	XVI Pensions and Miscellaneous	12.05	29.98	42.03	34.95	7.08	5.68	1.40
Capital - Voted								
15.	XV Public Works	1479.13	446.08	1925.21	1796.32	128.89	64.79	64.10
16.	XVIII Medical and Public Health	75.35	86.85	162.20	117.46	44.74	24.19	20.55
17.	XXIV Labour and Labour Welfare	147.10	3.85	150.95	148.74	2.21	1.46	0.75
18.	XXXI Animal Husbandry	21.25	1.89	23.14	21.27	1.87	2.85	(-) 0.98
19.	XXXIII Fisheries	103.47	20.56	124.03	106.99	17.04	16.81	0.23
20.	XXXV Panchayat	20.05	51.69	71.74	26.74	45.00	45.00	0.00
21.	XXXVII Industries	359.78	113.13	472.91	458.44	14.47	8.50	5.97
22.	XL Ports	174.76	50.00	224.76	214.07	10.69	10.67	0.02
23.	XLV Miscellaneous Loans and Advances	106.87	40.00	146.87	144.52	2.35	1.88	0.47
Total		13928.62	2408.21	16336.83	15486.74	850.09	538.04	

Appendix ~~2~~ ^{III}(1)

Statement of various Grants/Appropriations where Supplementary provision proved insufficient by more than ₹ one crore each

(Reference: Paragraph 2.3.5,

(₹ in crore)

SL No.	Number and name of Grant		Original provision	Supplementary provision	Total	Expenditure	Excess
Revenue - Voted							
1.	V	Agricultural Income Tax and Sales Tax	170.50	10.37	180.87	183.56	2.69
2.	VIII	Excise	138.62	1.40	140.02	144.77	4.75
3.	XI	District Administration and Miscellaneous	338.68	14.39	353.07	361.35	8.28
4.	XII	Police	1609.83	9.71	1619.54	1724.02	104.48
5.	XIII	Jails	60.31	3.42	63.73	64.76	1.03
6.	XVI	Pensions and Miscellaneous	7886.78	1215.35	9102.13	9672.30	570.17
7.	XXVIII	Miscellaneous Economic Services	84.63	3.61	88.24	90.52	2.28
8.	XLI	Transport	45.32	60.55	105.87	120.78	14.91
Revenue - Charged							
9.	II	Heads of States, Ministers and headquarters staff	83.07	3.91	86.98	89.53	2.55
Capital - Voted							
10.	XLII	Tourism	20.52	90.53	111.05	120.64	9.59
Total			10438.26	1413.24	11851.50	12572.23	720.73

Appendix 27 III (2)Excess/Unnecessary/Insufficient re-appropriation of funds
(Reference: Paragraph 2.3.6;

(₹ in crore)

Sl. No	Grant number and description	Head of account	Re-appropriation	Final Excess (+)/saving(-)
1.	II Heads of States, Ministers and Headquarters Staff	2051-00-102-99(NP)	(-) 3.08	6.18
2.		2052-00-090-96(NP)	0.25	4.14
3.		2052-00-090-99(NP)	0.41	6.07
4.		2251-00-090-99(NP)	(-)0.01	3.20
5.		3451-00-090-99(NP)	(-)0.23	(-)3.06
6.		3451-00-101-53(P)	(-)4.88	11.40
7.		3451-00-101-87(P)	0.00	(-)10.13
8.	IV Elections	2015-00-103-99(NP)	12.72	(-)3.05
9.		2015-00-106-99(NP)	(-)16.58	(-)4.50
10.	V Agricultural Income Tax and Sales Tax	2040-00-101-97(NP)	(-)6.02	8.35
11.	VI Land Revenue	2029-00-101-99(NP)	2.12	6.19
12.		2029-00-102-95(NP)	(-)11.91	2.18
13.	VII Stamps and Registration	2030-02-102-99(NP)	0.83	2.17
14.	VIII Excise	2039-00-001-99(NP)	2.48	3.46
15.	Debt Charges	2049-03-104-99(NP)	89.86	15.01
16.		2049-03-115-98(NP)	46.50	(-)13.28
17.		2049-03-115-99(NP)	(-)89.75	16.44
18.	X Treasury and Accounts	2054-00-097-98(NP)	2.00	(-)2.44
19.	XI District Administration and Miscellaneous	2053-00-093-99(NP)	1.81	3.11
20.		2053-00-094-99(NP)	4.51	3.92
21.	XII Police	2055-00-003-98(NP)	3.81	(-)2.73
22.		2055-00-101-98(NP)	(-)5.15	6.67
23.		2055-00-101-99(NP)	5.28	5.01
24.		2055-00-104-99(NP)	(-)16.83	2.53
25.		2055-00-109-99(NP)	25.94	98.62
26.		2055-00-111-99(NP)	4.34	(-)2.47
27.		2055-00-114-99(NP)	0.19	(-)2.87
28.		2055-00-115-99(NP)	(-)2.56	3.36
29.		2055-00-800-84(P)	(*)	(-)4.47
30.		2055-00-800-99(NP)	(*)	3.06

Sl No	Grant number and description	Head of account	Re-appropriation	Final Excess (+)/saving(-)
31.	XV Public Works	2059-80-001-97(NP)	1.73	(-)7.28
32.		3054-03-337-98(NP)	(-)9.51	(-)28.54
33.		3054-04-105-98(NP)	(-)49.20	(-)8.93
34.		3054-80-001-99(NP)	0.01	(-)2.04
35.		4059-01-051-71(NP)	(-)82.35	(-)28.53
36.		5054-03-337-95(P)	(-)3.13	(-)3.76
37.		5054-03-337-98(P)	16.02	2.88
38.		5054-04-101-96(P)	(-)46.27	(-)3.85
39.		5054-04-337-88(P)	(-)11.22	11.22
40.		5054-04-337-98(P)	8.83	(-)2.49
41.		5054-80-001-99(P)	174.45	(-)2.63
42.		5054-80-800-69(NP)	(-)154.51	(-)40.49
43.	XVI Pensions and Miscellaneous	2075-00-103-99(NP)	(-)10.92	(-)2.92
44.	XVII Education, Sports, Art and Culture	2202-01-101-98(NP)	(-)0.45	38.14
45.		2202-01-101-99(NP)	(-)1.54	97.61
46.		2202-01-102-99(NP)	(-)1.42	9.67
47.		2202-01-104-99(NP)	(-)0.07	3.97
48.		2202-01-107-97(P)	(-)3.60	5.29
49.		2202-02-001-98(NP)	(-)0.09	4.78
50.		2202-02-001-99(NP)	(-)0.18	2.32
51.		2202-02-101-99(NP)	(-)0.32	(-)2.06
52.		2202-02-109-78(NP)	(-)0.10	(-)26.02
53.		2202-02-109-86(NP)	0.25	(-)177.10
54.		2202-02-109-93(NP)	(-)0.04	(-)3.75
55.		2202-02-109-99(NP)	(-)1.45	(-)48.79
56.		2202-02-110-94(NP)	0.24	(-)23.56
57.		2202-02-110-95(NP)	0.02	(-)11.20
58.		2202-02-110-99(NP)	(-)0.60	(-)42.04
59.		2202-03-103-99(NP)	(-)40.66	14.43
60.		2202-03-104-99(NP)	(-)63.91	(-)139.49
61.		2202-80-800-52(NP)	(-)0.16	11.33
62.		2203-00-003-99(P)	(-)0.18	5.31
63.		2203-00-105-91(NP)	(-)3.84	2.06
64.		2203-00-105-99(NP)	(-)13.65	13.12
65.		2203-00-112-81(NP)	(-)1.86	8.37
66.		2203-00-112-82(NP)	2.91	5.50
67.		2203-00-112-99(NP)	6.51	9.27
68.		2204-00-104-88(P)	3.35	(-)3.35

Sl. No	Grant number and description	Head of account	Re-appropriation	Final Excess (+)/saving(-)
69.	XVIII Medical and Public Health	2210-01-104-99(NP)	(-)0.04	(-)2.97
70.		2210-01-110-90(NP)	(-)0.02	(-)3.59
71.		2210-01-110-91(NP)	(-)0.06	(-)2.01
72.		2210-01-110-94(NP)	0.08	(-)3.47
73.		2210-01-110-95(NP)	0.13	(-)2.66
74.		2210-01-110-96(NP)	2.18	(-)15.59
75.		2210-01-110-97(NP)	(-)1.04	(-)6.23
76.		2210-01-110-98(NP)	(-)3.64	7.57
77.		2210-02-101-97(NP)	(-)0.25	2.68
78.		2210-02-101-99(NP)	5.69	(-)4.99
79.		2210-02-102-99(NP)	(-)0.44	(-)7.31
80.		2210-03-103-99(NP)	(-)5.12	47.62
81.		2210-03-110-99(NP)	(-)5.26	(-)7.81
82.		2210-05-105-75(NP)	(-)0.04	(-)4.32
83.		2210-05-105-94(NP)	0.13	3.31
84.		2210-05-105-95(NP)	(-)0.14	4.18
85.		2210-05-105-96(NP)	0.15	(-)9.63
86.		2210-05-105-97(NP)	(-)0.66	9.56
87.		2210-05-105-98(NP)	(-)0.82	4.03
88.		2210-06-003-97(NP)	(⁴¹)	19.53
89.		2210-06-101-79(NP)	(-)0.01	(-)4.83
90.		2210-06-101-80(NP)	(-)0.02	2.17
91.		2210-06-101-85(NP)	(-)0.02	(-)5.47
92.		2210-06-101-91(NP)	(-)0.12	(-)22.48
93.		2210-06-101-97(NP)	0.07	(-)2.95
94.	XIX Family Welfare	2211-00-101-96(NP)	0.11	(-)14.24
95.		2211-00-101-99(P)	0.43	64.86
96.		2211-00-200-96(NP)	(-)0.07	(-)2.66
97.	XXIV Labour and Labour Welfare	2230-01-103-30(P)	(-)49.96	3.85
98.	Welfare of Scheduled Castes/ XXV Scheduled Tribes and Other Backward Classes	2225-01-001-98(NP)	(-)0.72	2.25
99.		2225-01-197-50(P)	(-)4.62	(-)8.61
100.		2225-01-197-50(NP)	(-)0.39	4.15
101.		2225-01-800-26(P)	(-)7.71	(-)3.00
102.		2225-01-800-57(P)	(-)1.77	(-)10.36
103.		2225-02-197-50(P)	(-)0.93	4.33
104.		2225-02-794-99(NP)	(-)2.51	2.54
105.		2225-02-800-20(P)	(-)0.79	(-)3.41
106.		4225-02-277-51(P)	(-)13.07	(-)5.74

Sl. No	Grant number and description	Head of account	Re-appropriation	Final Excess (+)/saving(-)
107.	XXVII Co-operation	2425-00-001-98(NP)	(-)0.17	(-)5.59
108.		2425-00-101-99(NP)	(-)0.15	(-)8.73
109.	XXVIII Miscellaneous Economic Services	3475-00-201-99(NP)	(-)1.98	2.53
110.	XXIX Agriculture	2401-00-113-96(NP)	(-)3.86	2.51
111.		2702-02-005-99(NP)	(-)3.66	3.41
112.	XXX Food	4408-01-101-99(NP)	(-)2.00	2.63
113.	XXXI Animal Husbandry	2403-00-101-98(NP)	0.03	5.62
114.		2403-00-101-99(NP)	0.01	4.57
115.		2403-00-102-96(NP)	(-)0.07	3.82
116.		2403-00-103-99(NP)	0.05	(-)4.52
117.	XXXIV Forest	2406-01-101-83(P)	(-)2.69	2.51
118.	XXXV Panchayat	2515-00-001-90(NP)	19.79	(-)4.61
119.		2515-00-001-92(NP)	77.16	9.15
120.	XXXVI Community Development	2515-00-001-49(NP)	(-)7.26	(-)13.87
121.		2515-00-001-50(NP)	(-)0.01	(-)2.01
122.	XXXVIII Irrigation	2701-80-001-97(NP)	(-)0.21	(-)6.64
123.	XLII Tourism	5452-01-800-94(P)	6.51	8.73
124.	XLVI Social Security and Welfare	2235-02-102-98(P)	70.64	(-)3.71
125.		2235-60-107-99(NP)	6.45	(-)2.45
126.		2235-60-192-50(NP)	(-)0.10	(-)3.37
127.		2235-60-198-50(NP)	(-)4.69	(-)17.00

Appendix 2A ^{III (13)}
Results of review of substantial surrenders made during the year
(Reference: Paragraph 2.3.7; (₹ in crore))

1.	VI Land Revenue	National Land Records Modernisation Programme -- Bhoomikaram Programme (50% CSS) (2506-00-800-97)	15.50	100	Out of this savings of ₹ 1.31 crore was due to reclassification. Reasons for balance savings have not been intimated (July 2011).
2.	VI Land Revenue	NLRMP - Digitisation of land records (50% of CSS) (2506-00-800-96)	4.50	100	Reasons not intimated. (July 2011).
3.	XI District Administration and Miscellaneous	Tsunami Rehabilitation Programme (2053-800-88)	2.00	100	Reasons not intimated (July 2011).
4.	XVII Education, Sports, Art and Culture	National Programme of Mid-Day Meals in Schools - Centralised Kitchen (2202-01-112-94)	10.00	100	Reasons not intimated. (July 2011)
5.		Archaeology- Priority Scheme under 13 th Finance Commission Award (2205-100-86)	6.25	100	Reasons not intimated. (July 2011)
6.		Tsunami Rehabilitation Programme (2202-80-800-50)	5.00	100	Reasons not intimated. (July 2011)
7.		Scheme for Small Hydro Generation (RIDF) (2810-00-800-91)	5.00	100	Due to non-release of funds to ANERT for the scheme
8.		Construction of Stadium at Kunnamkulam (2204-104-14)	1.00	100	Due to non-finalisation of the project for construction/renovation activities.
9.		ERUDITE-Scholars in Residence Programme (2202-03-105-98)	1.00	100	Reasons not intimated (July 2011).
10.		Sports Development Fund (2204-03-800-78)	1.00	100	Reasons not intimated (July 2011)
11.		Construction of Municipal Stadium Complex at Kasaragode (2204-104-50)	1.00	100	Due to non-finalisation of the project for construction/renovation activities.
12.		P.P. Eathose Stadium, Moovattupuzha (2202-104-28)	1.00	100	Delay was because of non-encashment of the bill due to treasury restrictions.
13.		New Engineering Colleges started during the previous plans (RIDF) (4202-02-105-96)	6.00	100	Out of this, savings of ₹ 3.64 crore was due to slow progress of works. Reasons for the balance savings not intimated.
14.		Development of all Government Polytechnics (RIDF) (4202-02-104-96)	4.00	100	Out of this savings of ₹ 2.96 crore was due to slow progress of works. Reasons for the balance savings not intimated.
15.		Construction of Building for Directorate of Higher Secondary Education and Vocational Higher Secondary Education Department (4202-01-202-96)	3.00	100	Out of this savings of ₹ 1.75 crore was due to slow progress of works. Reasons for the balance savings not intimated
16.		Construction of College Hostels and Buildings under RIDF scheme (4202-01-203-96)	3.00	100	Reasons not intimated (July 2011)
17.	XVIII Medical and	Tsunami Rehabilitation	2.00	100	Due to the decision to seek

		Public Health	Programme under Health Department (2210-80-800-79)			State Plan assistance after fully utilizing the additional central assistance from Government of India.
1	8.		Other Health Schemes - Indian Institute of Diabetes (2210-01-200-93)	1.00	100	Reasons not intimated (July 2011).
1	9.		Opening of New Homoeo Dispensaries (2210-02-102-82)	1.00	100	Reasons not intimated (July 2011).
2	0.		State Board of Medical Research (2210-03-105-99)	1.53	100	Reasons not intimated (July 2011).
2	1.		Acquisition of Land and Creation of Infrastructure for Kerala University of Health and Allied Sciences (4210-03-001-93)	20.00	100	Due to non-commencement of work.
2	2.		Completion of ongoing Construction Works (Major/Minor) - GH/WCH/Other Hospitals under DHS (NABARD) (4210-01-110-75)	16.40	100	Due to non-commencement of work.
2	3.		Construction of Works under DHS (4210-01-110-74)	8.00	100	Due to non-commencement of work.
2	4.		Strengthening of Nursing/ Pharmacy College in Homoeopathy (4210-03-102-97)	3.60	100	Due to non-commencement of work.
2	5.		Construction of New Building - Taluk Hospital, Punalur (4210-110-72)	2.72	100	Due to non-commencement of work.
2	6.		Establishment of Medical University (4210-03-001-94)	2.50	100	Due to non-commencement of work.
2	7.		Other Health Schemes - Indian Institute of Diabetes (4210-01-200-95)	1.40	100	Reasons not intimated (July 2011)
2	8.		Homoeo Medical College, College Hospitals and College Hostel Thiruvananthapuram - Land Acquisition and Buildings (4210-03-102-99)	6.06	100	Reasons not intimated.
2	9.	XX Water Supply and Sanitation	Special Package Against Recession in Kerala (2215-01-800-60)	20.00	100	Due to slow progress of works.
3	0.		Water Supply Scheme to Erumeli Panchayat (2215-01-800-58)	5.00	100	Due to slow progress of works.
3	1.		Manufacturing Units for Bottled Water (2215-01-800-78)	4.00	100	Due to slow progress of works.
3	2.		PVC Pipe Factory at Chavara (2215-01-800-69)	2.00	100	Due to slow progress of works.
3	3.	XXI Housing	Pravasi affordable housing scheme (2216-80-800-87)	1.00	100	Due to slow progress of works.
3	4.		Housing Scheme at Devikulam for Government Employees (4216-01-106-95)	2.00	100	Due to slow progress of work.
3	5.		Residential Flats for Economically Weaker Sections in Urban Area (4216-01-106-96)	2.50	100	Due to slow progress of work.
3	6.	XXIV Labour and Labour Welfare	Orientation cum Training Programme (2230-03-800-83)	1.00	100	Due to non-receipt of sanction from Government of India for continuing the scheme.

3 7.	XXV Welfare of Scheduled Castes/Scheduled Tribes and other Backward Classes	General Development of Primitive Tribal Groups (Central Sector Scheme with 100 per cent Central Assistance) (2225-02-794-92)	10.00	100	Reasons not intimated. (July 2011)
3 8.		Dr. Ambedkar Bhavan (4325-80-800-99)	2.50	100	Due to slow progress of work.
3 9.	XXIX Agriculture	Development of Kuttanadu wetland ECO system and Idukki District (2401-00-800-40)	5.00	100	Reasons not intimated (July 2011).
4 0.		Marketing facilities - RIDF projects (4435-01-101-97)	5.00	100	Reasons not intimated (July 2011).
4 1.		Agricultural Farms - Rural Infrastructure Development Fund (4401-104-96)	1.00	100	Due to non-receipts of any claim.
4 2.	XXXIII Fisheries	Tsunami Rehabilitation Programme (2405-800-25)	1.00	100	Reasons not intimated (July 2011).
4 3.		Integrated Coastal Area development project under RIDF (4405-800-81)	5.00	100	Due to non-finalisation of tender formalities.
4 4.	XXXVII Industries	Integrated Handloom Development Scheme (2851-103-47)	1.05	100	Due to non-release of central share by Government of India.
4 5.		Loans to Co-operatives - Construction of Godowns/Work Sheds/Processing Centres/Showroom of Apex Primary Handloom Weavers Co-operative Societies (NCDC share) (6851-195-51)	2.00	100	Due to non-receipt of applications under the scheme 'Margin money assistance for working capital to Thiruvananthapuram Taluk Integrated Silk Handloom Weavers' Co-operative Society'.
4 6.	XL Ports	Capital Dredging at Minor Ports - Ports Department (State Sector) (5051-02-200-96)	1.90	100	Due to delay in starting of work.
4 7.		Vizhinjam Cargo Harbour (HED) (5051-80-800-84)	1.75	100	Due to delay in starting of work.
4 8.		Azheekal Port (Sand Purification Unit) (5051-80-800-68)	1.50	100	Due to delay in starting of work.
4 9.	XLI Transport	Priority Scheme under 13 th Finance Commission (5075-60-800-84)	56.25	100	Reason not intimated (July 2011).
5 0.		Development of feeder canals connecting the national water way III (RIDF scheme) (5075-60-800-86)	40.00	100	Reason not intimated (July 2011).
5 1.		Establishment of Vehicle Testing Station (5055-800-87)	2.25	100	Reason not intimated (July 2011).
5 2.		Procurement of Handheld Radars and Wireless Sets for Speed Trap (5055-00-800-96)	1.50	100	Reason not intimated (July 2011).
5 3.	XLII Tourism	Special Package for Tourism Development (3452-80-800-42)	1.75	100	Reason not intimated (July 2011).

Appendix III (K)

Results of review of substantial surrenders made during the year
(Reference: Paragraph 2.3.7;

(₹ in crore)					
Sl. No.	Number and title of the Grant	Name of the Scheme (Head of Account)	Amount of Surrender	percentage of Surrender	Reasons
1.	VI Land Revenue	Digitisation Centres at Resurvey completed Taluk Headquarters (2029-00-103-96)	4.00	100	Due to Non-receipt of Administrative sanction.
2.	XV Public Works	Sainik School (4059-80-051-78)	1.25	100	Due to nonarrangement of works
3.	XVII Education, Sports, Art and Culture	Improved Chulah programme for total Housing Campaign (2810-00-800-85)	5.00	100	Non-implementation of Plan activities
4.		Demonstration project on smart building. (2810-00-800-88)	2.00	100	Reasons not intimated (July 2012)
5.		Non- Conventional Sources of Energy (2810-00-800-90)	1.00	100	Reasons not intimated (July 2012)
6.		Scheme for Small Hydrogeneration (RIDF) (2810-00-800-91)	5.00	100	Due to non-implementation of Plan activities.
7.		Toilets for girls in Higher Secondary Schools (one time ACA) (4202-01-202-94)	6.00	100	Reasons not intimated (July 2012)
8.		Toilets for girls in Higher Secondary Schools (4202-01-202-95)	4.00	100	Reasons not intimated (July 2012)
9.		Construction of building for Directorate of Higher Secondary Education and Vocational Higher Secondary Education Department. (4202-01-202-96)	6.00	100	Reasons not intimated (July 2012)
10.		Construction of Women's Hostels in Government Colleges. (4202-01-203-89)	3.50	100	Reasons not intimated (July 2012)
11.		Construction of Rest Rooms dressing Rooms and toilets for Women in ITIs (4202-02-800-86)	1.50	100	Reasons not intimated (July 2012)
12.		Construction of Women's Hostel in ITIs.(4202-02-800-87)	1.50	100	Reasons not intimated (July 2012)
13.	XVIII Medical and Public Health	Assistance to Kerala State Homoeo Co-operative Pharmacy Limited - Alappuzha (2210-02-001-94)	4.00	100	Delay in implementation of the project
14.		K.R.Narayanan Memorial Speciality Hospital in Uzhavoor - Phase II. (4210-01-110-71)	1.00	100	Due to slow progress of work.
15.		Indian Institute of Diabetes. (4210-01-200-95)	1.00	100	Due to slow progress of work.
16.		Construction Works under Directorate of Indian System of Medicine. (4210-02-103-94)	2.00	100	Due to slow progress of work.

Sr. No.	Number and title of the Grant	Name of the Scheme (Head of Account)	Amount of Surrender	percentage of Surrender	Reasons
17.	XVIII Medical and Public Health	Maintenance and Renovation of Homoeopathic Institutions under Directorate of Homoeopathy. (4210-02-110-87)	2.00	100	Due to slow progress of work.
18.		Establishment of Medical University. (4210-03-001-94)	5.00	100	Due to slow progress of work.
19.		Establishment of separate Directorate for Homoeo Medical Education. (4210-03-001-95)	2.00	100	Due to slow progress of work.
20.		Strengthening of Nursing/ Pharmacy College in Homoeopathy. (4210-03-102-97)	2.50	100	Due to slow progress of work.
21.	XX Water Supply and Sanitation	Installation of plants for the removal of iron content from drinking water. (2215-01-800-57)	1.00	100	Due to slow progress of work.
22.		Water Supply Scheme to Erumely Panchayat. (2215-01-800-58)	5.00	100	Due to slow progress of work.
23.		Water Supply Scheme to Malabar Cancer Centre, Thalassery. (2215-01-800-59)	1.40	100	Due to slow progress of work.
24.		Scaling up of Rain water Harvesting and GWR programme through KRWSA. (2215-01-800-64)	5.00	100	Non receipt of administrative sanction.
25.		Manufacturing units for bottled water. (2215-01-800-78)	1.00	100	Slow progress of work.
26.	XXII Urban Development	Integrated Housing and Slum Development programme. (2217-05-191-80)	16.50	100	Non-implementation of the Scheme
27.		Special Grant to the seven newly formed Municipalities for infrastructure Development. (2217-80-192-40)	10.50	100	Non-implementation of the Scheme
28.		Ayyankali Urban Development Guarantee Scheme. (2217-80-800-76)	5.00	100	Non-implementation of the Scheme
29.		Rajeev Awas Yojana. (2217-80-800-77)	1.00	100	Non-implementation of the Scheme
30.	XXIII Information and Publicity	Establishment of Software Testing lab at C-Dit. (4220-60-800-99)	1.40	100	Non establishment of software testing lab.
31.	XXIV Labour and Labour Welfare	Pravasi Legal Aid Cell (PLAC) (2230-01-103-23)	2.14	100	Non-implementation of plan activities
32.	XXV Welfare of Scheduled Castes/ Scheduled Tribes and Other Backward Classes	Construction of hostels for girls (50% State share) (4225-03-277-99)	3.00	100	Reasons not intimated (July 2012)

Sl. No.	Number and title of the Grant	Name of the Scheme (Head of Account)	Amount of Surrender	percentage of Surrender	Reasons
33.	XXV Welfare of Scheduled Castes/ Scheduled Tribes and Other Backward Classes	Dr.Ambedkar Bhavan. (4225-80-800-99)	3.00	100	Reasons not intimated (July 2012)
34.	XXVI Relief on account of Natural Calamities	Food and Clothing. (2245-01-101-98)	2.00	100	Due to less requirement of funds
35.		Assistance to farmers for purchase of Agricultural input. (2245-02-114-99)	2.99	100	Due to less requirement of funds
36.		Assistance to farmers to clear sand/silt salinity from lands. (2245-02-115-99)	1.50	100	Due to less requirement of funds
37.	XXVII Co-operation	Primary Land Mortgage Banks – Investments. (4425-00-107-97)	5.00	100	Non approval of projects by NABARD
38.		Service co-operative Societies – Investments. (4425-00-107-98)	1.50	100	Non approval of projects by NABARD
39.		Apex and Central Banks – Investments. (4425-00-107-99)	4.50	100	Non approval of projects by NABARD
40.	XXIX Agriculture	Maintenance of Irrigation Scheme under 13 th Finance Commission Award. (2702-03-101-97)	6.81	100	Reasons not intimated (July 2012)
41.		Development and upgradation of Kule lands. (4402-00-203-97)	3.47	100	Reasons not intimated (July 2012)
42.		Minor Irrigation Works – NABARD Assisted Scheme (Lift Irrigation Works) (4702-00-101-92)	5.00	100	Due to non-receipt of any claims under the Scheme
43.	XXXIV Forest	Wetland Conservation (100% CSS) (2406-01-800-60)	1.39	100	Due to non- release of Central Assistance for the programme.
44.	XXXVI Community Development	Office building for Block Panchayat.(2515-00-197-36)	4.00	100	Reasons not intimated (July 2012)
45.	XXXVIII Irrigation	Stock (2701-80-799-99)	7.00	100	Reasons not intimated (July 2012)
46.		Maintenance of Irrigation Scheme under XII PC award (2701-80-800-77)	9.69	100	Due to non-implementation of the Scheme.
47.		AIBP – Support for other Need Based Programme (4701-80-800-79)	114.50	100	Reasons not intimated (July 2012)
48.		AIBP-Assistance for MI Class I Scheme (4701-80-800-80)	7.50	100	Reasons not intimated (July 2012)
49.	XLII Tourism	Fort Kochi Mattenchery Heritage Project (3452-80-800-27)	10.00	100	Reasons not intimated (July 2012)
50.		Spices Route Project (3452-80-800-28)	5.00	100	Reasons not intimated (July 2012)
TOTAL			306.04		

Appendix 2-ⁱⁱⁱ(5)
Surrender (₹ 50 lakh or more in each case) in excess of actual savings
(Reference: Paragraph 2.3.8;

(₹ in crore)

Revenue (Voted)						
1.	I	State Legislature	35.84	0.35	1.37	1.02
2.	III	Administration of Justice	280.09	25.61	26.26	0.65
3.	V	Agricultural Income Tax and Sales Tax	132.40	4.55	9.04	4.49
4.	VI	Land Revenue	245.62	46.43	46.66	0.23
5.	VII	Stamps and Registration	105.89	0.02	2.63	2.61
6.	VIII	Excise	96.06	3.52	10.95	7.43
7.	X	Treasury and Accounts	118.46	12.13	15.95	3.82
8.	XIII	Jails	52.35	1.72	1.76	0.04
9.	XVIII	Medical and Public Health	1798.82	37.07	62.09	25.02
10.	XIX	Family Welfare	265.40	49.12	58.63	9.51
11.	XXVII	Co-operation	208.05	12.78	14.77	1.99
12.	XXX	Food	399.05	3.34	5.07	1.73
13.	XXXI	Animal Husbandry	280.93	4.94	6.37	1.43
14.	XXXII	Dairy	58.79	10.05	10.29	0.24
15.	XXXIII	Fisheries	214.32	6.47	6.96	0.49
16.	XXXIV	Forest	266.26	44.61	45.98	1.37
17.	XXXV	Panchayat	150.89	19.44	31.48	12.04
18.	XLI	Transport	35.77	8.13	8.87	0.74
Revenue (Charged)						
19.	III	Administration of Justice	46.02	1.43	1.56	0.13
20.	XVI	Pensions and Miscellaneous	12.77	1.18	1.61	0.43
Capital (Voted)						
21.	XVIII	Medical and Public Health	126.04	27.26	28.45	1.19
22.	XX	Water Supply and Sanitation	657.00	444.47	447.18	2.71
23.	XXI	Housing	149.41	6.26	7.92	1.66
24.	XXXIV	Forest	20.00	6.00	6.08	0.08
25.	XL	Ports	164.42	12.29	12.54	0.25

Appendix 28 11(16)

Surrender (₹ 50 lakh or more in each case) in excess of actual savings
(Reference: Paragraph 2.3.8;

Sl. No.	Number and name of the Grant	Total Grant/ Appropriation	Savings	Amount surrendered	(₹ in crore) Amount surrendered in excess
Revenue - Voted					
1.	II Heads of States, Ministers and Headquarters Staff	322.24	8.58	13.87	5.29
2.	III Administration of Justice	354.85	24.34	26.65	2.31
3.	IX Taxes on vehicles	55.13	1.85	2.19	0.34
4.	XXX Food	828.00	14.75	16.16	1.41
5.	XXXI Animal Husbandry	347.25	11.02	17.41	6.39
6.	XXXIII Fisheries	214.35	2.36	3.01	0.65
7.	XXXIV Forest	323.33	18.75	22.72	3.97
8.	XXXV Panchayat	208.49	23.18	28.10	4.92
Revenue - Charged					
9.	III Administration of Justice	54.40	0.47	1.45	0.98
10.	Debt Charges	6572.55	266.92	304.12	37.20
Capital - Voted					
11.	XX Water Supply and Sanitation	533.64	210.50	212.72	2.22
12.	XXIII Information and Publicity	1.90	0.98	1.40	0.42
13.	XXX Food	46.29	0.71	2.96	2.25
14.	XXXI Animal Husbandry	23.14	1.87	2.85	0.98
15.	XXXIV Forest	21.00	2.00	2.16	0.16
16.	XLI Transport	388.74	69.49	91.16	21.67
Capital - Charged					
17.	Public Debt Repayment	9145.37	6252.31	6298.30	45.99
Total		19448.67	6910.08	7047.23	137.15

Appendix ~~III~~ ^{III} (17)

Statement of grants/appropriations in which savings occurred but no part of which had been surrendered

(Reference: Paragraph 2.3.9,

(₹ in crore)

Revenue (Voted)		
1	XLIII - Compensation and Assignments	2.12
Revenue (Charged)		
2	Debt charges	96.06
3	XV - Public Works	0.02
4	XXXIV - Forest	0.08
Capital (Voted)		
5	XXXII - Dairy	0.16
Capital (Charged)		
6	XV - Public Works	29.61

Appendix 2 *III (c)*
Details of saving of ₹ one crore and above not surrendered
(Reference: Paragraph 2.3.9, ...)

(₹ in crore)

Revenue (Voted)				
1.	II Heads of States, Ministers and Headquarters Staff	49.97	32.41	17.56
2.	IV Elections	8.73	7.48	1.25
3.	IX Taxes on Vehicles	2.87	1.05	1.82
4.	XI District Administration and Miscellaneous	27.65	26.05	1.60
5.	XIV Stationery and Printing and Other Administrative Services	55.24	51.76	3.48
6.	XV Public Works	93.77	6.76	87.01
7.	XVI Pensions and Miscellaneous	234.85	48.27	186.58
8.	XVII Education, Sports, Art and Culture	309.56	161.26	148.30
9.	XX Water Supply and Sanitation	263.16	158.31	104.85
10.	XXI Housing	70.08	64.28	5.80
11.	XXII Urban development	563.04	533.15	29.89
12.	XXIV Labour and Labour Welfare	76.19	58.69	17.50
13.	XXV Welfare of Scheduled Castes/Scheduled Tribes and Other Backward Classes	94.04	83.06	10.98
14.	XXVIII Miscellaneous Economic Services	8.39	6.79	1.60
15.	XXX Agriculture	103.36	87.88	15.48
16.	XXXVI Community Development	96.96	92.34	4.62
17.	XXXVII Industries	32.07	26.52	5.55
18.	XLII Tourism	10.90	6.12	4.78
19.	XLVI Social Security and Welfare	195.05	45.68	149.37
Revenue (Charged)				
20.	II Heads of States, Ministers and Headquarters Staff	2.14	0.74	1.40
Capital (Voted)				
21.	XV Public Works	1186.14	720.56	465.58
22.	XXX Agriculture	77.29	69.11	8.18
23.	XXX Food	6.69	5.60	1.09
24.	XXXVII Industries	51.91	14.29	37.62

25	XXXVIII Irrigation	204.65	130.91	73.74
26	XLI Transport	112.02	95.92	16.10
27	XLII Tourism	17.90	0.54	17.36

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Cases of surrender of funds in excess of ₹ 10 crore on 30 and 31 March 2011
(Reference: Paragraph 2.3.9,

(₹ in crore)

1.	II	3451 Secretariat Economic Services	31.11	19.75
2.	III	2014 Administration of Justice	27.82	8.53
3.	VI	2029 Land Revenue	27.34	12.17
4.	VI	2506 Land Reforms	19.29	92.74
5.	VIII	2039 State Excise	11.05	11.49
6.	X	2054 Treasury and Accounts Administration	15.95	13.46
7.	XI	2053 District Administration	23.05	12.03
8.	XII	2055 Police	17.56	1.51
9.	XIV	2070 Other Administrative Services	45.91	26.23
10.	XV	5054 Capital Outlay on Roads and Bridges	720.56	30.17
11.	XVI	2075 Miscellaneous General Services	49.87	7.32
12.	XVII	2202 General Education	60.14	0.93
13.	XVII	2204 Sports and Youth Services	23.80	16.75
14.	XVII	2810 Non-conventional sources of energy	26.43	47.97
15.	XVII	3425 Other Scientific Research	28.67	38.87
16.	XVII	4202 Capital Outlay on Education, Sports, Art and Culture	21.57	20.01
17.	XVIII	2210 Medical and Public Health	62.15	3.43
18.	XVIII	4210 Capital Outlay on Medical and Public Health	34.51	26.12
19.	XIX	2211 Family Welfare	58.63	22.09
20.	XX	2215 Water Supply and Sanitation	158.31	24.28
21.	XX	6215 Loans for Water Supply and Sanitation	442.18	73.70
22.	XXI	2216 Housing	64.28	38.15
23.	XXII	2217 Urban Development	533.15	56.89
24.	XXIV	2230 Labour and Employment	58.69	12.29
25.	XXV	2225 Welfare of Scheduled Castes/Scheduled Tribes and Other Backward Classes	81.81	9.57
26.	XXV	4225 Capital Outlay on Welfare of Scheduled Castes/Scheduled Tribes and Other Backward Classes	37.10	33.66
27.	XXVI	2245 Relief on account of Natural Calamities	50.04	11.46
28.	XXVII	2425 Co-operation	14.77	7.10
29.	XXIX	2401 Crop Husbandry	33.46	5.78
30.	XXIX	2551 Hill Areas	10.68	30.01
31.	XXIX	2702 Minor Irrigation	32.77	17.61
32.	XXIX	4402 Capital Outlay on Soil and Water Conservation	10.70	30.44
33.	XXIX	4702 Capital outlay on Minor Irrigation	51.24	65.16
34.	XXXII	2404 Dairy Development	10.29	17.50
35.	XXXIII	4405 Capital Outlay on Fisheries	21.66	23.05
36.	XXXIV	2406 Forestry and Wildlife	45.98	16.44
37.	XXXV	2515 Other Rural Development Programmes	31.48	20.86
38.	XXXVI	2505 Rural Employment	32.76	65.16
39.	XXXVI	2515 Other Rural Development Programmes	54.00	19.89
40.	XXXVII	2851 Village and Small Industries	25.53	9.58
41.	XXXVIII	2700 Major Irrigation	19.24	14.21
42.	XXXVIII	2701 Medium Irrigation	13.87	10.72
43.	XXXVIII	4700 Capital Outlay on Major Irrigation	25.27	32.77
44.	XXXVIII	4701 Capital Outlay on Medium Irrigation	55.42	28.40
45.	XXXVIII	4711 Capital Outlay on Flood Control Projects	51.68	25.81

46.	XL	5051 Capital Outlay on Ports and Light Houses	12.54	7.63
47.	XLI	5075 Capital Outlay on Other Transport Services	90.27	70.11
48.	XLVI	2235 Social Security and Welfare	45.68	3.58
49.	Public Debt	6003 Internal Debt of the State Government	10007.13	85.68
50.	Public Debt	6004 Loans and Advances from the Central Government	366.14	54.53

Appendix ~~2A~~ ^{III C 2.2}
Rush of Expenditure towards the end of the year
 (Reference: Paragraph 2.3.10,

(₹ in crore)

1.	XXXVIII	4860	01	190	94	21.27	21.27	21.27	100.00	100.00
2.	XLI	7053	02	190	99	32.00	32.00	32.00	100.00	100.00
3.	XXXV	4515	00	800	98	20.00	20.00	20.00	100.00	100.00
4.	XXXIX	2801	80	101	94	45.97	45.97	45.97	100.00	100.00
5.	XXXIX	2801	80	101	99	54.00	54.00	54.00	100.00	100.00
6.	XXVII	4425	00	107	86	150.00	150.00	150.00	100.00	100.00
7.	XXVII	4425	00	108	35	11.83	11.83	11.83	100.00	100.00
8.	XXII	2217	03	191	74	90.44	90.44	90.44	100.00	100.00
9.	XXII	2217	05	800	89	32.49	32.49	32.49	100.00	100.00
10	XXXVII	6860	01	190	95	34.56	34.56	34.56	100.00	100.00
11	XXXVII	2245	05	101	99	153.86	153.86	153.86	100.00	100.00
12	XXVI	2425	00	800	96	18.87	18.87	18.87	100.00	100.00
13	XV	5054	04	800	88	33.40	33.40	33.40	100.00	100.00
14	XV	5054	80	190	99	13.00	13.00	13.00	100.00	100.00
15	XV	5054	80	800	72	179.22	179.22	179.22	100.00	100.00
16	XX	4215	01	800	98	20.00	20.00	20.00	100.00	100.00
17	XXIV	2230	01	103	19	25.00	25.00	25.00	100.00	100.00
18	XXIV	2230	01	103	33	40.00	40.00	40.00	100.00	100.00
19	XVIII	2210	05	001	93	21.50	21.50	21.50	100.00	100.00
20	XVII	2202	01	101	83	25.00	25.00	25.00	100.00	100.00
21	XXXVI	2505	02	101	99	17.24	17.24	17.24	100.00	100.00
22	XXXIII	2405	00	800	24	100.00	99.45	99.45	99.45	99.45
23	XXII	2217	01	800	99	10.46	10.29	10.27	98.37	98.18
24	XXXIV	2406	01	101	84	10.40	10.35	10.17	99.52	97.79
25	XXI	2216	80	103	99	17.85	17.85	17.22	100.00	96.47

26	XV	5054	01	337	98	15.11	14.61	14.55	96.69	96.29
27	XVI	2075	00	103	98	216.53	196.91	193.85	90.94	89.53
28	XV	5054	04	337	99	276.03	242.75	230.71	87.94	83.58
29	XXIX	2551	01	101	08	21.47	21.47	17.80	100.00	82.91
30	XXVII	2425	00	108	80	70.00	65.00	55.00	92.86	78.57
31	XV	5054	04	337	94	49.05	45.92	37.53	93.62	76.51
32	XXII	2217	05	192	81	38.92	31.83	28.23	81.78	72.53
33	XXII	2217	80	800	91	71.00	71.00	50.00	100.00	70.42
34	XV	5054	04	101	96	51.96	47.58	36.51	91.57	70.27
35	XX	2215	01	800	63	80.00	56.00	56.00	70.00	70.00
36	XX	2215	01	800	68	50.00	35.00	35.00	70.00	70.00
37	XLVI	2235	60	200	76	16.22	16.22	11.35	100.00	69.98
38	XV	4059	01	051	71	23.07	22.68	15.91	98.31	68.96
39	XXXVII	4859	02	800	97	40.00	26.79	26.79	66.98	66.98
40	XXX	2408	01	800	94	24.06	18.25	15.68	75.85	65.17
41	XXXII	4405	00	800	80	34.49	26.38	21.21	76.49	61.50
42	XXXVIII	4711	02	103	93	30.43	20.72	18.70	68.09	61.45
43	XV	5054	04	101	99	47.75	28.98	29.15	60.69	61.05
44	XVII	2202	03	102	92	43.72	30.07	26.17	68.78	59.86
45	XV	5054	03	337	98	18.29	11.29	10.26	61.73	56.10
46	XLI	5053	02	190	97	49.07	37.07	27.07	75.55	55.17

Appendix ~~2.36~~ ^{III} (2.1)

**Statement of surrenders (₹ 10 lakh or more in each case) under various Grants/
Appropriations which proved injudicious
(Reference: Paragraph 2.3.9;**

(₹ in crore)

SL No.	Number and name of the Grant/ Appropriation	Total Grant/ Appropriation	Actual expenditure	Excess	Amount surrendered
Revenue - Voted					
1.	I State Legislature	50.69	50.93	0.24	0.66
2.	V Agricultural Income Tax and Sales Tax	180.87	183.56	2.69	6.53
3.	XII Police	1619.54	1724.02	104.48	1.48
4.	XIX Family Welfare	257.54	306.41	48.87	0.50
5.	XXVIII Miscellaneous Economic Services	88.24	90.52	2.28	2.58
6.	XLI Transport	105.87	120.78	14.91	11.68
Revenue - Charged					
7.	II Heads of States, Ministers and Headquarters Staff	86.98	89.53	2.55	3.58
Total		2389.73	2565.75	176.02	27.01

Appendix ~~21~~ III (22)

Statement of Grants/Appropriations in which savings occurred but no part of which had been surrendered

(Reference: Paragraph 2.3.10, ...)

(₹ in crore)

SLNo.	Number and name of Grant/Appropriation	Savings
Revenue - Voted		
1.	XXXIX Power	0.55
Revenue - Charged		
2.	XXV Welfare of Scheduled Castes/Scheduled Tribes and Other Backward Classes	0.04
3.	XLI Transport	0.03
Capital - Voted		
4.	XXI Housing	9.25
5.	XXII Urban Development	0.50
6.	XXVIII Miscellaneous Economic Services	1.33
7.	XXXII Dairy	3.00
8.	XXXIX Power	36.00
Capital - Charged		
9.	XV Public Works	1.65
10.	XVIII Medical and Public Health	0.31
11.	XXV Welfare of Scheduled Castes/Scheduled Tribes and Other Backward Classes	0.01
Total		52.67

Appendix 222 ⁷⁴(25)

Details of saving of ₹ one crore and above not surrendered
(Reference: Paragraph 2.3.10,

(₹ in crore)

Sl. No.	Number and name of the Grant/Appropriation	Savings (₹ one crore and above)	Amount surrendered	Savings which remained to be surrendered
Revenue - Voted				
1.	IV Elections	10.21	2.89	7.32
2.	VI Land Revenue	29.07	20.03	9.04
3.	X Treasury and Accounts	5.16	3.78	1.38
4.	XV Public Works	189.89	84.46	105.43
5.	XVII Education, Sports, Art and Culture	521.70	157.34	364.36
6.	XVIII Medical and Public Health	100.66	86.86	13.80
7.	XXI Housing	21.07	3.45	17.62
8.	XXII Urban Development	371.44	362.50	8.94
9.	XXIII Information and Publicity	4.36	3.42	0.94
10.	XXIV Labour and Labour Welfare	155.02	111.97	43.05
11.	XXV Welfare of Scheduled Castes/ Scheduled Tribes and other Backward Classes	75.46	63.05	12.41
12.	XXVII Co-operation	17.77	1.35	16.42
13.	XXIX Agriculture	174.58	136.45	38.13
14.	XXXVI Community Development	187.61	168.45	19.16
15.	XXXVII Industries	6.78	2.51	4.27
16.	XXXVIII Irrigation	87.30	85.81	1.49
17.	XLIII Compensation and Assignments	21.07	0.27	20.80
18.	XLVI Social Security and Welfare	121.57	55.28	66.29
Total		2100.72	1349.87	750.85
Revenue - Charged				
19.	XVI Pensions and Miscellaneous	7.08	5.68	1.40
Capital - Voted				
20.	XV Public Works	128.89	64.79	64.10
21.	XVII Education, Sports, Art and Culture	151.01	38.62	112.39

Sl. No.	Number and name of the Grant/Appropriation	Savings (₹ one crore and above)	Amount surrendered	Savings which remained to be surrendered
22.	XVIII Medical and Public Health	44.74	24.19	20.55
23.	XXV Welfare of Scheduled Castes/ Scheduled Tribes and other Backward Classes	51.42	43.27	8.15
24.	XXIX Agriculture	135.03	82.23	52.80
25.	XXXVII Industries	14.47	8.50	5.97
26.	XXXVIII Irrigation	576.13	536.20	39.93
Total		1101.69	797.80	303.89
Grand Total		3209.49	2153.35	1056.14

Appendix 225

III (24)

Cases of surrender of funds in excess of ₹ 10 crore on 31 March 2012
(Reference: Paragraph 2.3.10,

(₹ in crore)

Sl. No.	Grant number and major head		Amount of surrender	Percentage of total provision
1.	II	3451 Secretariat-Economic Services	11.92	7.75
2.	III	2014 Administration of Justice	28.10	6.87
3.	VI	2029 Land Revenue	20.03	6.22
4.		2048 Appropriation for Reduction or Avoidance of Debt	131.84	41.46
5.		2049 Interest Payments	172.29	2.75
6.	XIV	2070 Other Administrative Services	31.05	13.93
7.	XV	3054 Roads and Bridges	78.95	4.86
8.	XV	4059 Capital Outlay on Public Works	64.79	25.70
9.	XVII	2202 General Education	98.97	1.07
10.	XVII	2810 New and Renewable Energy	47.89	52.18
11.	XVII	4202 Capital Outlay on Education, Sports, Art and Culture	38.61	17.20
12.	XVIII	2210 Medical and Public Health	86.96	3.35
13.	XVIII	4210 Capital Outlay on Medical and Public Health	24.19	14.87
14.	XX	2215 Water Supply and Sanitation	220.38	36.50
15.	XXII	2217 Urban Development	362.50	56.16
16.	XXIV	2230 Labour and Employment	111.97	19.15
17.	XXV	2225 Welfare of Scheduled Castes/ Scheduled Tribes and Other Backward Classes	63.05	5.54
18.	XXV	4225 Capital Outlay on Welfare of Scheduled Castes/ Scheduled Tribes and Other Backward Classes	43.13	42.97
19.	XXVI	2245 Relief on account of Natural Calamities	50.18	10.87
20.	XXVII	4425 Capital Outlay on Co-operation	11.10	6.08
21.	XXIX	2401 Crop Husbandry	74.42	7.70
22.	XXIX	2702 Minor Irrigation	52.65	24.76
23.	XXIX	4702 Capital Outlay on Minor Irrigation	66.44	45.49
24.	XXX	2408 Food, Storage and Warehousing	14.38	1.79
25.	XXXI	2403 Animal Husbandry	17.41	5.01
26.	XXXIII	4405 Capital Outlay on Fisheries	16.79	15.35
27.	XXXIV	2406 Forestry and Wildlife	22.88	6.78

Sl. No.	Grant number and major head		Amount of surrender	Percentage of total provision
28.	XXXV	2515 Other Rural Development Programmes	84.00	16.94
29.	XXXV	4515 Capital Outlay on Other Rural Development Programmes	45.00	60.77
30.	XXXVI	2505 Rural Employment	104.89	80.51
31.	XXXVIII	2700 Major Irrigation	50.35	28.28
32.	XXXVIII	2701 Medium Irrigation	28.48	16.33
33.	XXXVIII	4701 Capital Outlay on Medium Irrigation	172.31	58.75
34.	XXXVIII	4711 Capital Outlay on Flood Control Projects	361.99	90.91
35.	XL	5051 Capital Outlay on Ports and Light Houses	10.67	4.75
36.	XLI	3056 Inland Water Transport	11.61	26.91
37.	XLI	5075 Capital Outlay on Other Transport Services	84.17	57.98
38.	XLII	3452 Tourism	48.56	24.63
39.	XLVI	2235 Social Security and Welfare	55.28	3.34
Total			3620.18	

Appendix 2.3.11 (25)

Subheads of account showing rush of expenditure towards the end of the year
(Reference: Paragraph 2.3.11, Page 49)

Sl. No.	Grant No	MJH	SMH	MIH	SBH	Total Expenditure	Expenditure incurred during January-March 2012	Expenditure incurred during March 2012	Percentage of total expenditure incurred during	
									January-March 2012	March 2012
1	XVIII	2210	03	110	97	11.41	11.41	11.41	100	100
2	XVIII	2210	05	105	09	34.00	34.00	34.00	100	100
3	XVIII	2210	06	112	98	18.93	18.93	18.93	100	100
4	XVIII	2210	80	190	98	25.00	25.00	25.00	100	100
5	XX	2215	01	800	61	20.00	20.00	20.00	100	100
6	XX	2215	01	800	63	25.00	25.00	25.00	100	100
7	XX	2215	01	800	68	12.50	12.50	12.50	100	100
8	XXI	2216	80	800	89	50.00	50.00	50.00	100	100
9	XXII	2217	80	192	38	20.00	20.00	20.00	100	100
10	XXIV	2230	01	103	33	30.00	30.00	30.00	100	100
11	XXIV	2230	03	001	96	26.94	26.94	26.94	100	100
12	XXVI	2245	05	101	99	137.63	137.63	137.63	100	100
13	XXXIV	2406	01	797	30	10.75	10.75	10.75	100	100
14	XXX	2408	01	800	82	68.35	68.35	68.35	100	100
15	XXXVI	2505	02	101	99	24.90	24.90	24.90	100	100
16	XXXV	2515	00	001	90	15.17	15.17	15.17	100	100
17	XXXV	2515	00	001	92	86.31	86.31	86.31	100	100
18	XXXIX	2801	80	101	99	54.60	54.60	54.60	100	100
19	XVII	2810	00	800	83	12.50	12.50	12.50	100	100
20	XLI	3055	00	800	95	15.00	15.00	15.00	100	100
21	XV	4059	80	001	99	12.86	12.86	12.86	100	100
22	XXII	4217	60	800	97	11.00	11.00	11.00	100	100
23	XXII	4217	60	800	98	48.00	48.00	48.00	100	100
24	XXXV	4515	00	800	98	25.05	25.05	25.05	100	100
25	XXXVII	4859	02	190	94	24.00	24.00	24.00	100	100
26	XXXVII	4860	01	800	99	12.21	12.21	12.21	100	100
27	XXXVII	4885	60	800	93	50.00	50.00	50.00	100	100
28	XV	5054	80	052	99	15.15	15.15	15.15	100	100
29	XLII	5452	01	800	76	47.74	47.74	47.74	100	100
30	XVIII	2210	05	105	15	17.14	17.13	17.14	100	99.89
31	XVIII	2210	06	101	45	22.41	22.33	22.41	100	99.65
32	XVII	2810	00	800	93	14.45	14.20	14.20	98.27	98.27

Sl. No.	Grant No	MJH	SMH	MIH	SBH	Total Expenditure	Expenditure incurred during January-March 2012	Expenditure incurred during March 2012	Percentage of total expenditure incurred during	
									January-March 2012	March 2012
33.	XXII	2217	01	800	99	10.32	10.02	10.04	97.29	97.07
34.	V	2040	00	800	99	10.93	10.23	10.23	93.64	93.64
35.	XVI	2075	00	103	98	415.20	387.36	408.04	98.28	93.29
36.	XVIII	2210	05	105	19	21.95	20.25	21.06	95.93	92.23
37.	XV	5054	05	337	97	24.08	21.95	24.08	100	91.13
38.	XXVII	4425	00	108	42	12.14	11.00	11.13	91.70	90.60
39.	XXXI	2403	00	800	70	12.50	10.96	12.11	96.90	87.66
40.	XXXIX	2551	01	101	08	29.18	25.35	29.06	99.59	86.86
41.	XXXVII	4859	02	800	98	68.50	54.25	68.50	100	79.20
42.	II	3451	00	101	87	20.35	15.01	20.35	100	73.76
43.	XLI	5053	02	190	97	82.21	59.40	59.40	72.25	72.25
44.	XXV	2225	01	800	26	49.28	33.57	40.58	82.35	72.17
45.	XXIV	2230	02	198	50	30.17	21.31	21.63	71.69	70.63
46.	XLVI	2235	02	101	95	19.78	13.52	15.53	78.49	68.36
47.	XVI	2071	01	101	97	35.72	24.28	34.43	96.39	67.98
48.	XLVI	2235	02	102	60	15.55	10.38	12.22	78.58	66.78
49.	XI	2250	00	103	87	19.80	13.20	13.20	66.67	66.67
50.	XVIII	4210	03	105	90	19.79	12.99	14.30	72.24	65.62
51.	XXXIV	2406	01	101	84	18.82	12.06	15.46	82.16	64.06
52.	XV	3054	03	103	98	35.29	22.55	35.29	100	63.63
53.	XV	3054	04	105	98	111.87	69.17	111.87	100	61.87
54.	XXII	2217	05	800	89	108.18	64.84	64.84	59.94	59.94
55.	XV	5054	04	800	88	24.22	14.49	15.91	65.68	59.81
56.	XXV	2225	02	800	64	33.54	18.02	28.94	86.29	53.72
57.	XX	4215	01	800	99	89.82	47.00	57.18	63.66	52.33

MJH-Major Head, SMH-Sub-major head, MIH-Minor Head, SBH-Sub head

Appendix 225

Major heads in which rush of expenditure noticed towards the end of the financial year 2011-12

(Reference: Paragraph 2.3.11,

(₹ in crore)

Sl. No.	Major Head	Total expenditure during the year	Expenditure during the last quarter of the year		Expenditure during March 2012	
			Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
1.	2020 Collection of Taxes on Income and Expenditure	0.38	0.38	100.00	0.38	100.00
2.	2048 Appropriation for Reduction or Avoidance of Debt	10.00	10.00	100.00	10.00	100.00
3.	2075 Miscellaneous General Services	985.46	786.47	79.81	577.09	58.56
4.	2216 Housing	105.55	79.81	75.61	73.29	69.44
5.	2217 Urban Development	273.98	209.16	76.34	148.89	54.34
6.	2250 Other Social Services	25.78	19.00	73.70	16.82	65.24
7.	2506 Land Reforms	1.00	0.92	92.00	0.92	92.00
8.	2551 Hill Areas	33.97	33.35	98.17	29.51	86.87
9.	2801 Power	54.87	54.87	100.00	54.60	99.51
10.	2810 New and Renewable Energy	43.26	40.81	94.34	40.43	93.46
11.	2885 Other Outlays on Industries and Minerals	2.40	2.40	100.00	2.40	100.00
12.	3435 Ecology and Environment	12.98	10.50	80.89	10.04	77.35
13.	4055 Capital Outlay on Police	1.02	0.61	59.80	0.58	56.86
14.	4215 Capital Outlay on Water Supply and Sanitation	90.82	58.18	64.06	48.00	52.85
15.	4216 Capital Outlay on Housing	19.52	12.45	63.78	11.92	61.07
16.	4217 Capital Outlay on Urban Development	87.28	87.28	100.00	87.28	100.00
17.	4220 Capital Outlay on Information and Publicity	0.92	0.92	100.00	0.92	100.00
18.	4225 Capital Outlay on Welfare of Scheduled Castes/Scheduled Tribes and Other Backward Classes	49.09	40.13	81.75	26.85	54.70
19.	4401 Capital Outlay on Crop Husbandry	1.59	1.16	72.96	0.99	62.26
20.	4402 Capital Outlay on Soil and Water Conservation	13.63	9.94	72.93	8.45	62.00
21.	4435 Capital Outlay on Other Agricultural Programmes	0.37	0.27	72.97	0.27	72.97
22.	4515 Capital Outlay on Other Rural Development Programmes	29.05	25.95	89.33	25.95	89.33
23.	4801 Capital Outlay on Power Project	0.05	0.05	100.00	0.05	100.00

Sl. No.	Major Head	Total expenditure during the year	Expenditure during the last quarter of the year		Expenditure during March 2012	
			Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
24.	4858 Capital Outlay on Engineering Industries	0.75	0.75	100.00	0.75	100.00
25.	4859 Capital Outlay on Telecommunication and Electronic Industries	136.25	127.91	93.88	91.75	67.34
26.	4860 Capital Outlay on Consumer Industries	12.21	12.21	100.00	12.21	100.00
27.	4885 Capital Outlay on Industries and Minerals	137.49	127.60	92.81	75.00	54.55
28.	5051 Capital Outlay on Ports and Light Houses	214.07	160.25	74.86	109.24	51.03
29.	5053 Capital Outlay on Civil Aviation	82.21	59.40	72.25	59.40	72.25
30.	5056 Capital Outlay on Inland Water Transport	15.40	14.01	90.97	12.76	82.86
31.	5425 Capital Outlay on Other Scientific and Environmental Research	0.19	0.19	100.00	0.15	78.95
32.	5452 Capital Outlay on Tourism	122.30	84.22	68.86	70.78	57.87
33.	5475 Capital Outlay on Other General Economic Services	0.40	0.40	100.00	0.40	100.00

Appendix 2

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Drawal of funds during 2010-11 to avoid lapse of budget grant
(Reference: Paragraph 2.3.12)

(Rs in crore)

LABOUR AND REHABILITATION DEPARTMENT				
1.	Director of Coir Development	2230-01-103-33 Income Support Scheme for workers of traditional sectors such as khadi, coir, handloom, etc.	20.00 (31 March 2011)	The amount was drawn and kept in the Treasury Savings Bank account maintained at District Treasury, Alappuzha in the joint designation of the Managing Director, Coirfed and the Director of Coir Development.
2.	Director of Handloom and Textiles	- do -	10.00 (31 March 2011)	The amount was drawn and kept in the bank account of General Manager of the District Industries Centre concerned.
3.	Director of Industries and Commerce	- do -	10.00 (31 March 2011)	The amount was transferred to the Secretary, Khadi and Village Industries Board for providing income support to workers engaged in khadi sector.
SCHEDULED CASTES/SCHEDULED TRIBES DEVELOPMENT DEPARTMENT				
4.	Director of Scheduled Castes Development	2225-01-800-26 Development of Ambedkar Complex at Mannanthala	2.71 (31 March 2011)	The work of development of Ambedkar Complex was entrusted to Kerala State Construction Corporation Limited (KSCC). Hence the amount was drawn by transfer-credit to the TSB account jointly operated by the Director of Scheduled Castes Development and the MD, KSCC Ltd. Memorandum of Understanding between KSCC and the Director was signed only in July 2011. Work has not been started so far (August 2011).
FISHERIES AND PORTS DEPARTMENT				
5.	Director of Fisheries	2405-800-24 Debt Relief of loans availed by Fishermen from National Backward Classes Finance and Development Corporation, National Minorities Development Finance Corporation, Co-operative societies, Co-operative banks, etc	44.38 (30 March 2011)	Amount drawn by the Director and credited to his TSB account. The amount was paid to Additional Registrar of Co-operative Societies by demand draft on 30 March 2011 for providing debt relief. Out of this, ₹ 42.26 crore was released to six Co-operative Banks on 14 July 2011 and the balance of ₹ 2.12 crore remained unutilized (August 2011).

6.	Director of Fisheries	2405-800-24 Debt Relief of loans availed by Fishermen from National Backward Classes Finance and Development Corporation, National Minorities Development Finance Corporation, Co-operative societies, Co-operative banks, etc	43.14 (31 March 2011)	Amount drawn and credited to the TSB account of Director of Fisheries. The entire amount remained unutilized (August 2011).
HOUSING DEPARTMENT				
7.	The Secretary, Kerala State Housing Board	2216-80-103-99(20) Suraksha Housing Scheme	2.22 (31 March 2011)	The amount is for payment of subsidy to Below Poverty Line families to construct houses. The amount was credited to TSB account of Kerala State Housing Board and kept unutilized. Audit also noticed that at the time of transfer, ₹ 4.43 crore out of ₹ 8.58 crore which was released earlier for the scheme (up to 2009-10) was remaining unspent in the TSB account.
8.	The Secretary, Kerala State Housing Board	2216-80-103-99(34) MN One lakh Housing Reconstruction Scheme	15.00 (31 March 2011)	The amount was credited to TSB account of Kerala State Housing Board. Only ₹ 4.10 crore was spent up to the end of August 2011.
LOCAL SELF GOVERNMENT DEPARTMENT				
9.	The Project Director, Kerala Sustainable Urban Development Project (KSUDP)	2217-03-119-74 Additional Central assistance for Urban Infrastructure Scheme for Small and Medium Towns	90.44 (11 March 2011)	Amount transfer credited to TSB account of Project Director, KSUDP.
10.		2217-05-800-89 Jawahar Lal Nehru National Urban Renewal Mission	12.88 (11 March 2011) 19.61 (26 March 2011)	
CO-OPERATION DEPARTMENT				
11.	Registrar of Co-operative Societies	2425-108-39 (subsidy) 4425-108-35 (share capital contribution) Assistance for market intervention support and processing for 14 Service Co-operative Banks/Societies	1.27 (31 March 2011) 10.05 (31 March 2011)	The amount was credited to the Treasury Public Account of Kerala State Co-operative Bank for disbursement to the Service Co-operative banks after satisfying the terms and conditions prescribed by the Government. The Registrar of Co-operative Societies informed (August 2011) that ₹ 3.96 crore relating to five Service Co-operative banks remained to be distributed as they had not furnished the necessary documents prescribed by the Government.

AGRICULTURE DEPARTMENT				
1	Director of	2401-104-86-01	14.28	Amount transferred to TSB account of Registrar of Co-operative Societies for disbursement of assistance to co-operative banks and societies. Out of ₹ 24.28 crore received during 2010-11, ₹ 14.91 crore remained unutilized (August 2011).
2.	Agriculture	Debt Relief Assistance under Kerala Farmers Debt Relief Commission Act, 2006	(28 March 2011 and 31 March 2011)	
POWER DEPARTMENT				
1	Director, ANERT ²	2810-00-800-86 (Plan) Rural Electrification Programme for the marginalized and disadvantaged	6.38	Amount was credited to TSB account of ANERT. The beneficiary list has not been finalized and the project has not been implemented (August 2011).
3.			(30 March 2011)	
1	Director, ANERT	2810-00-800-85 (Plan) Improved Choolah Programme	2.50	Amount was credited to TSB account of ANERT. Only ₹ 1.66 crore has been expended (August 2011).
4.			(30 March 2011)	
1	Director, ANERT	2810-60-800-92 (Plan) Knowledge support for the Decentralised Power Generation and Demand side Management in Local Governments	2.71	Amount was credited to TSB account of ANERT. Only ₹ 1.02 lakh has been spent (August 2011)
5.			(31 March 2011)	

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III (2a)

Drawal of funds during 2011-12 to avoid lapse of budget grant
(Reference: Paragraph 2.3.13)

(₹ in crore)

Sl. No.	Name of the drawing officer	Head of account and purpose of drawal	Amount drawn and month of drawal	Remarks
Industries Department				
1.	Director, Handloom and Textiles	2851-00-103-42(P)-Special Marketing Incentive Scheme	6.81 (March 2012)	This amount was to clear the arrears of Special Marketing Incentive to Primary Handloom Weavers Co-operative Societies for the period 2000-2009. The amount transfer credited to TSB Account and kept unutilized (August 2012) as reports from two more districts are to be received
2.	-do-	2851-00-003-92-Popularisation of Handloom and Khadi products	1.40 (December 2011)	Kept in Bank Account. Due to delay in convening monitoring committee, ₹ 1.13 crore remained unutilized (August 2012)
Scheduled Castes Development Department				
3.	Director, Scheduled Castes Development Department	2225-01-800-19-Electrification of Scheduled Castes Colonies	5.00 (March 2012)	Amount transfer credited to TSB Account. Entire amount remained unutilized (September 2012)
4.	-do-	2225-01-277-60-Strengthening and Modernisation of ITC	5.00 (March 2012)	Amount transfer credited to TSB account. Entire amount remained unutilized (September 2012)
5.	-do-	2225-01-800-57-Pooled fund for SCP	2.94 (March 2012)	Amount transfer credited to TSB account. Entire amount remained unutilized (September 2012)
6.	-do-	2225-01-800-26-Pooled Fund for special projects proposed by other departments under SCP	30.00 (March 2012)	Deposited in TSB account. Entire amount remained unutilized (September 2012)

Sl. No.	Name of the drawing officer	Head of account and purpose of drawal	Amount drawn and month of drawal	Remarks
Power Department				
7.	Director, Energy Management centre	2810-00-800-93- Energy Management centre GIA(for LED based energy sufficient street lighting)	8.50 (March 2012)	Transfer credited to TP account. ₹ 4.73 crore (out of ₹ 4.75 crore) remained unutilized (July 2012). Work orders yet to be issued
8.	-do-	2810-00-800-93- Energy Management Centre GIA (building for energy management centre and institute)		Amount transfer credited to TP account. ₹ 3.70 crore (out of ₹ 3.75 crore) remained unutilized (July 2012). Work orders yet to be issued
9.	-do-	2810-00-800-93- Energy Management Centre GIA(for Model Energy Efficient Building of the State Government)	5.12 (March 2012)	Transfer credited to TP Account. Entire amount (₹ 2.50 crore) remained unutilized (July 2012)
10.	-do-	2810-00-800-93- Energy Management Centre GIA(for energy efficient studies in SMEs)		Amount transfer credited to TP account. Out of ₹ 0.62 crore, only ₹16,000 was utilized (July 2012)
11.	-do-	2810-00-800-93- Energy Management Centre GIA (for energy information bureau)		Amount transfer credited to TP Account. ₹ 1.89 crore out of ₹ 2.00 crore remained unutilized (July 2012)
12.	-do-	2810-00-800-84-Kerala State Energy Conservation fund	2.00 (March 2012)	Amount transfer credited to TP Account. Entire amount remained unutilized (July 2012). Approval of State Committee not received. Programmes not commenced
13.	-do-	2810-00-800-83- Integrated Solar Electrification(Surya Jyothi)	12.50 (March 2012)	Amount transfer credited to TP Account. ₹ 12.46 crore remained unutilized
14.	-do-	2810-00-800-86-Total Electrification Programme using renewable energy for SC/ST and remote unelectrified areas	1.98 (March 2012)	Amount transfer credited to TP Account. ₹ 1.79 crore remained unutilized. Audit also noticed that out of the funds released during previous years, ₹ 5.54 crore remained unutilized (September 2012)

Appendix 223 III (29)

Pendency in submission of Detailed Contingent bills against Abstract
Contingent (AC) bills drawn during 2009-10 and 2010-11
(Reference: Paragraph 2.4.1,

(In ₹)

1.	Veterinary Polyclinic, Nedumangad	1	112500
2.	Administrative Assistant, Veterinary Dispensary, Velavoor	1	25000
3.	District Animal Husbandry Office, Thiruvananthapuram	1	10000
4.	Veterinary Dispensary, Kulathoor	1	15790
5.	Veterinary Dispensary, Aruvikkara	1	100000
6.	Veterinary Dispensary, Arumanoor	1	25000
7.	Veterinary Dispensary, Sreekaryam	1	25000
8.	Project Officer, Integrated Tribal Development Project, Kannur	1	499950
9.	District Education Officer, Malappuram	1	550000
10.	Child Development Project Officer, Vengare, Malappuram	1	227000
11.	Child Development Project Officer, Kozhikode	1	227000
12.	Child Development Project Officer, Kannur (Urban)	1	298000
13.	Child Development Project Officer, Kasaragode	1	227000
14.	Child Development Project Officer, Payannur	1	745000
15.	Child Development Project Officer, Kannur (Rural)	1	227000
16.	Project Officer, Integrated Tribal Development Project, Wayanad	2	700000
17.	District Education Officer, Wayanad	1	49000
18.	Child Development Project Officer, Manikada, Malappuram	1	3999600
19.	Headmaster, GMVHSS, Nilambur	1	26500
20.	Superintendent, Central Prison, Kannur	2	1000000
21.	District Social Welfare Officer, Palakkad	3	32500
22.	Veterinary Surgeon, Veterinary Dispensary, Edathuruthu	1	27300
23.	Deputy Collector, LA(RCF), Palakkad	1	100000
24.	Principal Agricultural Officer, Palakkad	2	15906100
25.	Principal Agricultural Officer, Thrissur	1	1000000
26.	Assistant Director of Agriculture, Thelikulam	1	200000

Appendix 2 ~~24~~ III (3a)

List of controlling officers where amounts exceeding ₹ 10 crore in each case remained unreconciled during 2010-11

(Reference: Paragraph 2.4.2,

(₹ in crore)

1.	Secretary, Kerala Public Service Commission	53.70
2.	Secretary to Government, General Administration Department	105.20
3.	Secretary, State Planning Board	19.25
4.	Principal Secretary to Government, Finance Department	12968.08
5.	Secretary to Government, Information Technology Department	161.25
6.	Secretary to Government, Water Resources Department	448.88
7.	Secretary to Government, Local Self Government Department	71.66
8.	Secretary, Revenue Department	142.44
9.	Secretary to Government, Health and Family Welfare Department	164.48
10.	Secretary to Government, Housing Department	39.78
11.	Secretary to Government, Industries Department	43.79
12.	Secretary to Government, Science & Technology Department	12.17
13.	Secretary to Government, Transport Department	106.07
14.	Advocate General	14.34
15.	Registrar General, High Court of Kerala	258.16
16.	Chief Electoral Officer	20.87
17.	State Election Commissioner	65.15
18.	Commissioner of Commercial Taxes	106.04
19.	Commissioner of Land Revenue	571.09
20.	Director of Survey and Land Records	55.40
21.	Inspector General of Registration	46.14
22.	Excise Commissioner	90.19
23.	Director of Treasuries	602.95
24.	Director of National Savings	130.12
25.	Director General of Police	1104.11
26.	Director General of Police (Prisons)	86.10
27.	Controller of Stationery	12.50
28.	Director of Printing	51.13
29.	Director of Vigilance Investigation	30.12
30.	Commandant General, Fire & Rescue Services	64.46
31.	Director of State Lotteries	253.83
32.	Director of Public Instruction	2881.13
33.	Director of Vocational Higher Secondary Education	126.57
34.	Secretary, Kerala Sports Council	21.34
35.	Director, Higher Secondary Education	2173.26
36.	Text Book Officer	54.30
37.	Secretary, Kerala State Library Council	14.70
38.	Director, Indigenous Medicines	87.03
39.	Director, Insurance Medical Services Department	56.51
40.	Director of Homoeopathy	43.84
41.	Director of Health Services	763.01
42.	Director of Medical Education	479.90
43.	Housing Commissioner, Kerala State Housing Board	17.85
44.	Director of Municipal Administration	15.00
45.	Chief Town Planner	129.36
46.	Director, Kerala Sustainable Urban Development Project	81.38
47.	Director of Urban Affairs	107.31
48.	Labour Commissioner	190.63

49.	Director of Training	56.47
50.	Director of Employment	63.68
51.	Director of Scheduled Castes Development	561.34
52.	Director of Scheduled Tribes Development Department	40.69
53.	Director of Social Welfare Department	220.81
54.	Registrar of Co-operative Societies	191.06
55.	Director of Agriculture	562.87
56.	Director of Groundwater Department	22.36
57.	Director of Civil Supplies	404.05
58.	Director of Animal Husbandry	188.34
59.	Director of Dairy Development	10.70
60.	Chief Conservator of Forests	107.72
61.	Director of Panchayats	37.48
62.	Commissioner of Rural Development	227.51
63.	Director of Industries and Commerce	73.00
64.	Director of Ports	140.26
65.	Director of State Water Transport	18.37
66.	Director of Tourism	83.32
67.	Secretary, Tourism Department	11.05

Source: Information furnished by the Principal Accountant General (A&E), Kerala

Appendix 2 ^{III (31)}

Pendency in submission of Detailed Contingent bills against Abstract
Contingent (AC) bills drawn from 2009-10 to 2011-12
(Reference: Paragraph 2.4.1)

Sl. No.	Name of Drawing and Disbursing Officer	Number of AC bills	Amount
1.	Assistant Educational Officer, Cherpulasery	1	399650
2.	Assistant Educational Officer, Ottappalam	1	352500
3.	Block Development Officer, Alathur	1	62500
4.	Child Development Project Officer, Kannur (Rural)	1	227000
5.	Child Development Project Officer, Kannur (Urban)	2	428000
6.	Child Development Project Officer, Kasaragod	1	227000
7.	Child Development Project Officer, Alathur	1	50,400
8.	Child Development Project Officer, Areacode (Additional), Malappuram district	1	300000
9.	Child Development Project Officer, Kasaragod	1	1560276
10.	Child Development Project Officer, Kondotty Additional, Cherukavu, Malappuram District	1	294000
11.	Child Development Project Officer, Kondotty, Malappuram District	1	315800
12.	Child Development Project Officer, Kuttippuram (Addl), Malappuram	1	261525
13.	Child Development Project Officer, Mankada, Malappuram	1	3999600
14.	Child Development Project Officer, Mannarkad	2	76000
15.	Child Development Project Officer, Mannarkad Additional	1	76000
16.	Child Development Project Officer, Ottappalam (additional)	1	76000
17.	Child Development Project Officer, Payyannur	1	745000
18.	Child Development Project Officer, Perinthalmanna (Addl), Malappuram	1	310600
19.	Child Development Project Officer, Tirur, Malappuram district	1	272800
20.	District animal Husbandry Office, Thiruvananthapuram	1	10000
21.	District Educational Officer, Malappuram	1	550000

Sl. No.	Name of Drawing and Disbursing Officer	Number of AC bills	Amount
22.	District Programme Officer, ICDS, Malappuram	2	1149500
23.	District Social Welfare Officer, Civil Station, Kozhikode	1	70000
24.	PA to District Educational Officer, Kanhangad	1	1137100
25.	PA to District Educational Officer, Kannur	1	800000
26.	PA to District Educational Officer, Kozhikode	1	1097050
27.	Polyclinic, Irinjalakuda	2	26000
28.	Principal Agricultural Officer, Palakkad	2	13278600
29.	Principal Agricultural Officer, Thrissur	3	2629000
30.	Principal, District Institute of Education and Training(DIET), Thrissur	1	100000
31.	Superintendent, Central Prison, Kannur	2	1100000
32.	Superintendent, Open Prison, Cheemani	2	1370000
33.	Superintendent, District Jail, Thiruvananthapuram	1	85800
34.	Superintendent, Government Juvenile Home, Thrissur	1	20000
35.	Superintendent, Sub Jail, Chavakkad	1	15000
36.	Superintendent, sub Jail, Viyyur	1	20,000
37.	Veterinary Dispensary, Valoor	1	25000
38.	Veterinary Hospital, Kannambra	1	10000
39.	Veterinary Hospital, Mathilakam	1	20000
40.	Veterinary Hospital, Pazhayannur	1	3500
41.	Veterinary Polyclinic, Irinjalakuda	1	3500
42.	Veterinary Polyclinic, Kodungallur	1	50000
Total		51	33,604,701

Appendix 228

(11) (32)

List of controlling officers where amounts exceeding ₹ 10 crore in each case remained unreconciled during 2011-12

(Reference: Paragraph 2.4.2,

Sl. No.	Name of the controlling officer	(₹ in crore) Amount not reconciled
1.	The Secretary, Kerala Public Service Commission, Thiruvananthapuram	82.83
2.	The Secretary to Government, General Administration Department, Thiruvananthapuram	150.30
3.	The Secretary to Government, Law Department, Thiruvananthapuram	10.06
4.	The Secretary, State Planning Board, Thiruvananthapuram	40.85
5.	The Secretary, Planning and Economic Affairs Department, Thiruvananthapuram	29.18
6.	The Principal Secretary to Government, Finance Department, Thiruvananthapuram	16346.40
7.	The Secretary to Government, Information Technology Department, Thiruvananthapuram	20.10
8.	The Secretary to Government, Water Resources Department, Thiruvananthapuram.	337.87
9.	The Secretary to Government, Local Self Government Department, Thiruvananthapuram.	86.31
10.	The Secretary, Personnel and Administrative Reforms Department, Thiruvananthapuram.	13.67
11.	The Secretary, Revenue Department, Thiruvananthapuram.	144.37
12.	The Secretary to Government, Higher Education Department, Thiruvananthapuram	266.87
13.	The Secretary to Government, Health and Family Welfare Department, Thiruvananthapuram	209.75
14.	The Secretary to Government, Housing Department, Thiruvananthapuram	63.46
15.	The Secretary to Government, Power Department, Thiruvananthapuram	54.60
16.	The Secretary to Government, Scheduled Caste's/Scheduled Tribe's development Department, Thiruvananthapuram.	21.23
17.	The Secretary to Government, Science & Technology Department, Thiruvananthapuram	69.56
18.	The Secretary to Government, Taxes Department, Thiruvananthapuram	25.81
19.	The Secretary to Government, Transport Department, Thiruvananthapuram	100.00
20.	The Chief Electoral Officer, Legislative Complex, Thiruvananthapuram	88.99
21.	The Commissioner, Land Revenue, Thiruvananthapuram	933.94
22.	The Director, Survey and Land Records, Thiruvananthapuram	80.36
23.	The Director of Treasuries, Thiruvananthapuram	616.20
24.	The Director of National Savings, Thiruvananthapuram.	110.77
25.	The Director General of Police, Police Headquarters, Thiruvananthapuram.	1673.46
26.	The Director General of Police (Prisons), Thiruvananthapuram	108.30
27.	The Director of Vigilance Investigation, Vigilance Directorate, Thiruvananthapuram	45.74
28.	The Commandant General, Fire & Rescue Services Headquarters, Thiruvananthapuram	98.00
29.	The Director of State Lotteries, Vikas Bhavan, Thiruvananthapuram.	510.01
30.	The Director of Public Instruction, Jagathy, Thiruvananthapuram	4059.16
31.	The Director of Collegiate Education, Thiruvananthapuram	942.47

Sl No.	Name of the controlling officer	Amount not reconciled
32.	The Director of Technical Education, Thiruvananthapuram	332.33
33.	The Director, Vocational Higher Secondary Education, Thiruvananthapuram	195.39
34.	The Director of NCC, Vazhuthacaud, Thiruvananthapuram	30.64
35.	The Secretary, Kerala Sports Council, Thiruvananthapuram	24.26
36.	The Registrar, Cochin University of Science & Technology, Kochi	41.27
37.	The Director, Higher Secondary Education, Thiruvananthapuram	3066.11
38.	The Text Book Officer, Text Book Publications, Fort, Thiruvananthapuram	58.63
39.	The Director, ANERT, Kesavadasapuram, Thiruvananthapuram	12.50
40.	The Principal, Government Ayurveda College, Thiruvananthapuram	11.18
41.	The Director, Indigenous Medicines, Thiruvananthapuram	123.62
42.	The Director, Insurance Medical Services Department, Thiruvananthapuram	77.47
43.	The Director, Regional Cancer Centre, Thiruvananthapuram	50.00
44.	The Director of Homoeopathy, Thiruvananthapuram	61.95
45.	The Director of Health Services, Thiruvananthapuram	1241.97
46.	The Director of Medical Education, Thiruvananthapuram	585.53
47.	The Chief Town Planner, Thiruvananthapuram	11.66
48.	The Director, Kerala Sustainable Urban Development Project, Thiruvananthapuram	82.32
49.	The Director, Urban Affairs Department, Thiruvananthapuram.	108.18
50.	The Director of Urban Affairs, Thiruvananthapuram	20.00
51.	The Secretary, Revenue Department, Secretariat, Thiruvananthapuram	19.80
52.	The Director, Public Relations Department, Thiruvananthapuram.	36.19
53.	The Director of Scheduled Caste's Development, Thiruvananthapuram	713.01
54.	The Director of Scheduled Tribe's Development, Thiruvananthapuram	106.31
55.	The Special Officer for Minority Development, General Administration (MC) Department, Thiruvananthapuram	24.70
56.	The Director, Bureau of Economics and Statistics, Thiruvananthapuram	43.46
57.	The Director of Agriculture, Vikas Bhavan, Thiruvananthapuram	941.25
58.	The Director, Groundwater Directorate, Thiruvananthapuram	26.69
59.	The Director of Civil Supplies, Thiruvananthapuram	699.60
60.	The Secretary, Food and Civil Supplies, Thiruvananthapuram	68.35
61.	The Director of Animal Husbandry, Thiruvananthapuram	279.78
62.	The Director of Dairy Development, Thiruvananthapuram	50.94
63.	The Director of Fisheries, Thiruvananthapuram	139.15
64.	The Chief Conservator of Forests, Thiruvananthapuram	156.59
65.	The Director of Panchayats, Thiruvananthapuram	43.06
66.	The Commissioner, Rural Development, L M S Compound, Thiruvananthapuram	223.55
67.	The Secretary, Kerala Khadi and Village Industries Board, Thiruvananthapuram	26.10
68.	The Director of Industries and Commerce, Vikas Bhavan, Thiruvananthapuram.	36.22
69.	The Director, State Water Transport, Alleppey	25.21
70.	The Director of Tourism, Thiruvananthapuram	97.57
TOTAL		37233.16

Appendix III (33)

Substantial savings noticed under Grant no.XVIII-Medical and Public Health
(Reference: Paragraph 2.6.1.1;

(₹ in lakh)

Head of account with nomenclature	Budget provision	Expenditure	Savings	Percentage of saving	Reason for saving
2210-01-200-86-Indian Institute of Diabetes-XIII FC Award (P)	500.00	150.00	350.00	70	Reason not given
2210-02-001-94-Assistance to Kerala State Homeo Co-operative Pharmacy Ltd. Alappuzha (P)	400.00	Nil	400.00	100	Since there is no utilization during 2010-11, the fund not released.
2210-02-102-98-Homoeo College Hospital, Thiruvananthapuram. (P)	200.00	26.65	173.35	86	Reason not given
2210-02-102-97-Homoeo College Hospital, Kozhikode (P)	120.00	66.46	53.54	44	Reason not given.
2210-02-102-82-Opening of New Homoeo Dispensaries (P)	200.00	108.00	92.00	46	Due to non-sanctioning of posts in the new Homoeo dispensaries
2210-02-800-97-Women Healthcare Centres (Seethalayam) (One Time ACA) (P)	380.00	194.25	185.75	49	As the One time ACA was received only at the end of the financial year, the amount allotted for construction purpose has not been utilized.
2210-04-101-99-Rural Dispensaries (DPP) (P)	100.00	58.75	41.25	41	No expenditure under salary head. Hence the savings
2210-04-101-92-Modernization of Directorate of Ayurveda (P)	50.00	39.55	10.45	21	Administrative Sanction for purchase of vehicle has not been received.
2210-04-102-99-Rural Dispensaries (P)	200.00	90.00	110.00	55	Due to non-release of Ayush grant, 15 per cent State share of Rs 105 lakh has not been utilized
2210-05-105-74-Training of non-Medical Leprosy Assistants and General Nurses in District Hospitals(P)	236.00	125.37	110.63	46	Reason not given
2210-05-105-20-College of Nursing, Alappuzha (P)	75.00	9.28	65.72	88	
2210-05-800-66-Starting of Paramedical Council (P)	70.00	0	70.00	100	
2210-05-105-37-Directorate of Radiation Safety (P)	20.00	0	20.00	100	As the Directorate of Radiation Safety is an income generating institution necessity for State aid is minimal.

Appendix 2.36-III (34)
Non-mustering of pensioners
(Reference: Paragraph 2.9.2; Page 51)

1.	Sub Treasury, Kattappana	4
2.	Sub Treasury, Adimali	4
3.	Sub Treasury, Devikulam	3
4.	Sub Treasury, Mancompu	4
5.	Sub Treasury, Pathanapuram	4
6.	Sub Treasury, Chadayamangalam	18
7.	District Treasury, Kottarakkara	5
8.	Sub Treasury, Sasthankotta	3
9.	Sub Treasury, Kottarakkara	5
10.	Sub Treasury, Chavara	4
11.	Sub Treasury, Paravoor	4
12.	Sub Treasury, Kundara	6
13.	Sub Treasury, Chathannoor	4
14.	Pension Payment Sub Treasury, Kollam	4
15.	Sub Treasury, Karunagappally	5
16.	Sub Treasury, Kazhakkootam	4
17.	Sub Treasury, Vaikom	3
18.	Sub Treasury, Erattupettah	3
19.	Sub Treasury, Meenachil	3
20.	Sub Treasury, Kothamangalam	6
21.	Sub Treasury, Mannar	3
22.	Sub Treasury, Edathua	6
23.	Sub Treasury, Harippad	4
24.	Sub Treasury, Konni	5
25.	Sub Treasury, Nayarambalam	5
26.	Sub Treasury, Adoor	4
27.	Sub Treasury, Pathanamthitta	4
28.	District Treasury, Pathanamthitta	4
29.	Sub Treasury, Karulachal	5
30.	Sub Treasury, Pallikathodu	7
31.	Sub Treasury, Gandhinagar	5
32.	Sub Treasury, Ettumanoor	4
33.	District Treasury, Kottayam	4
34.	Sub Treasury, Kadakkal	4
35.	Pension Payment Sub Treasury, Neyyattinkara	6
36.	Sub Treasury, Vizhinjam	4
37.	Sub Treasury, Parassala	4
38.	Sub Treasury, Vidura	3
39.	Rural District Treasury, Kattakada	5

40.	Sub Treasury, Nedumangadu	4
41.	Sub Treasury, Varkala	5
42.	Sub Treasury, Kadakkavoor	6
43.	Sub Treasury, Payyoli	4
44.	Rural District Treasury, Irinjalakuda	6
45.	Sub Treasury, Annamanada	2
46.	Sub Treasury, Thiriprayar	4
47.	Sub Treasury, Kodungallur	3
48.	Sub Treasury, Changanikulam	4
49.	Sub Treasury, Chittoor	4
50.	Sub Treasury, Cherpulassery	4
51.	Sub Treasury, Shoranur	4
52.	Sub Treasury, Kasaragode	6
53.	Sub Treasury, Nileshwar	5
54.	Sub Treasury, Chattanchal	3
55.	District Treasury, Mattannur	5
56.	Sub Treasury, Irity	4
57.	Sub Treasury, Koothuparamba	4
58.	Sub Treasury, Peravoor	3
59.	District Treasury, Wayanad	3
60.	Sub Treasury, Sulthan Bathery	4
61.	Sub Treasury, Pulappally	4
62.	Sub Treasury, Vythiri	4
63.	District Treasury, Thrissur	4
64.	Sub Treasury, Chelakkara	4
65.	Sub Treasury, Cherpu	5
66.	Sub Treasury, Chaldarakallu	2
67.	Sub Treasury, Kannur	4
68.	District Treasury, Kannur	4
69.	Sub Treasury, Pazhayangadi	4
70.	District Treasury, Thamarassery	4
71.	Sub Treasury, Thiruvampady	4
72.	Sub Treasury, Balussery	4
73.	Sub Treasury, Pulamanothole	4
74.	Sub Treasury, Valanchery	1
75.	Sub Treasury, Karuvarakundu	4
76.	Sub Treasury, Kondotty	5
77.	Sub Treasury, Arescode	6

Sl. No.	Name of Treasury	Number of cases
31.	Sub Treasury, Kadomuruthy	6
32.	Sub Treasury, Kalloorkkad	10
33.	Sub Treasury, Kannur	1
34.	Sub Treasury, Karimannoor	4
35.	Sub Treasury, Karuvarakundu	1
36.	Sub Treasury, Kattachal	1
37.	Sub Treasury, Kayanikulam	4
38.	Sub Treasury, Kazhakuttam	5
39.	Sub Treasury, Kilimannoor	4
40.	Sub Treasury, Kolenchery	9
41.	Sub Treasury, Koothattukulam	6
42.	Sub Treasury, Kootanad	1
43.	Sub Treasury, Kottarakkara	3
44.	Sub Treasury, Kottayam	5
45.	Sub Treasury, Koyilandy	1
46.	Sub Treasury, Kozhenchery	1
47.	Sub Treasury, Kumbanad	1
48.	Sub Treasury, Makkaraparamba	1
49.	Sub Treasury, Mallappally	10
50.	Sub Treasury, Manjeri	1
51.	Sub Treasury, Mannarkkad	1
52.	Sub Treasury, Mattanchery	1
53.	Sub Treasury, Mavelikkara	1
54.	Sub Treasury, Medical College, Thiruvananthapuram	3
55.	Sub Treasury, Moncombu	4
56.	Sub Treasury, Mulanthuruthy	1
57.	Sub Treasury, Nedumkandam	5
58.	Sub Treasury, North Parur	8
59.	Sub Treasury, Paliuruthy	3
60.	Sub Treasury, Pampady	4
61.	Sub Treasury, Pandalam	10
62.	Sub Treasury, Pathanapuram	4
63.	Sub Treasury, Pattambi	1

Sl. No.	Name of Treasury	Number of cases
64.	Sub Treasury, Payyannur	1
65.	Sub Treasury, Payyoli	1
66.	Sub Treasury, Pazhayangadi	1
67.	Sub Treasury, Peerumedu	4
68.	Sub Treasury, Peravoor	1
69.	Sub Treasury, Perinthalmanna	1
70.	Sub Treasury, Piravam	7
71.	Sub Treasury, Ponkunnam	3
72.	Sub Treasury, Poochakkal	3
73.	Sub Treasury, Pulpally	1
74.	Sub Treasury, Rajakumari	4
75.	Sub Treasury, Ranni	10
76.	Sub Treasury, Ranni Perunad	1
77.	Sub Treasury, Sreekrishnapuram	1
78.	Sub Treasury, Thaliparamba	1
79.	Sub Treasury, Thiruvalla	1
80.	Sub Treasury, Thirissur	1
81.	Sub Treasury, Tirurangadi	2
82.	Sub Treasury, Uzhavoor	7
83.	Sub Treasury, Vellarikundu	1
84.	Sub Treasury, Vythiri	1
85.	Sub Treasury, Wandoor	1
Total		271

Appendix 228 III (35)

Non-mustering of pensioners
(Reference: Paragraph 2.8.2; Page 58)

Sl. No.	Name of Treasury	Number of cases
1.	District Treasury, Chengannur	3
2.	District Treasury, Ernakulam	4
3.	District Treasury, Kannur	1
4.	District Treasury, Kottarakkara	3
5.	District Treasury, Malappuram	1
6.	District Treasury, Mattannur	1
7.	District Treasury, Muvattupuzha	8
8.	District Treasury, Pathanmthitta	10
9.	District Treasury, Thiruvananthapuram	11
10.	District Treasury, Wayanad	1
11.	District Treasury, Thrissur	1
12.	Rural District Treasury, Kattakada	3
13.	Pension Payment Sub Treasury, Alappuzha	4
14.	Pension Payment Sub Treasury, Ernakulam	1
15.	Pension Payment Sub Treasury, Kollam	3
16.	Pension Payment Sub Treasury, Kozhikode	1
17.	Pension Payment Sub Treasury, Thalassery	1
18.	Principal Sub Treasury, Fort, Thiruvananthapuram	3
19.	Sub Treasury, Agali	1
20.	Sub Treasury, Aluva	1
21.	Sub Treasury, Angamaly	10
22.	Sub Treasury, Chakkarakkalu	1
23.	Sub Treasury, Chavakkad	1
24.	Sub Treasury, Chelakkara	1
25.	Sub Treasury, Chengannur	1
26.	Sub Treasury, Cherthala	4
27.	Sub Treasury, Devikulam	6
28.	Sub Treasury, Feroke	1
29.	Sub Treasury, Gandhi Nagar	6
30.	Sub Treasury, Kadakkal	3

Sl. No.	Name of Treasury	Number of cases
31.	Sub Treasury, Kaduthuruthy	6
32.	Sub Treasury, Kalloorikkad	10
33.	Sub Treasury, Kannur	1
34.	Sub Treasury, Karimannoor	4
35.	Sub Treasury, Karuvarakundu	1
36.	Sub Treasury, Kattachal	1
37.	Sub Treasury, Kayamkulam	4
38.	Sub Treasury, Kazhakuttam	5
39.	Sub Treasury, Kilimanoor	4
40.	Sub Treasury, Kolenchery	9
41.	Sub Treasury, Koothattukulam	6
42.	Sub Treasury, Kootanad	1
43.	Sub Treasury, Kottarakkara	3
44.	Sub Treasury, Kottayam	5
45.	Sub Treasury, Koyilandy	1
46.	Sub Treasury, Kozhenchery	1
47.	Sub Treasury, Kumbanad	1
48.	Sub Treasury, Makkaraparamba	1
49.	Sub Treasury, Mallappally	10
50.	Sub Treasury, Manjeri	1
51.	Sub Treasury, Mannarkkad	1
52.	Sub Treasury, Mattanchery	1
53.	Sub Treasury, Mavelikkara	1
54.	Sub Treasury, Medical College, Thiruvananthapuram	3
55.	Sub Treasury, Moncombu	4
56.	Sub Treasury, Mulanthuruthy	1
57.	Sub Treasury, Nedumkandam	5
58.	Sub Treasury, North Parur	8
59.	Sub Treasury, Palluruthy	3
60.	Sub Treasury, Pampady	4
61.	Sub Treasury, Pandalam	10
62.	Sub Treasury, Pathanapuram	4
63.	Sub Treasury, Pattambi	1

Sl. No.	Name of Treasury	Number of cases
64.	Sub Treasury, Payyannur	1
65.	Sub Treasury, Payyoli	1
66.	Sub Treasury, Pazhayangadi	1
67.	Sub Treasury, Peerumedu	4
68.	Sub Treasury, Peravoor	1
69.	Sub Treasury, Perinthalmanna	1
70.	Sub Treasury, Piravam	7
71.	Sub Treasury, Ponkunnam	3
72.	Sub Treasury, Poochakkal	3
73.	Sub Treasury, Pulpally	1
74.	Sub Treasury, Rajakumari	4
75.	Sub Treasury, Ranni	10
76.	Sub Treasury, Ranni Perunad	1
77.	Sub Treasury, Sreekrishnapuram	1
78.	Sub Treasury, Thaliparamba	1
79.	Sub Treasury, Thiruvalla	1
80.	Sub Treasury, Thrissur	1
81.	Sub Treasury, Tirurangadi	2
82.	Sub Treasury, Uzhavoor	7
83.	Sub Treasury, Vellarikundu	1
84.	Sub Treasury, Vythiri	1
85.	Sub Treasury, Wandoor	1
Total		271