

BUDGET MATTERS

1. The word "Budget" is derived from the old French word 'Budgettee' which means a 'Little Bag'. In Britain, the term was used to describe the leather bag in which the Chancellor of the Exchequer carried to the Parliament the annual statement of the Government's needs and resources.
- 1.1 The study team on state level administration of the Administrative Reforms Commission of Government of India Defined the term "Budget" as: "just as Audit is the post-discipline, budget is the pre-discipline on public spending".
- 1.2 The need for a Budget arises on account of the constitutional obligation laid down under Article 266 (3) which envisages Parliamentary and Legislative control over expenditure.
- 1.3 The budget of Government expresses its total activity in monetary terms. Budget reflects what the Government intends to do. Expenses are budgeted in relation to anticipated income in a year.

PERFORMANCE BUDGETING

2. A budget should not merely show financial outlays on various sectors and different functions. It should always indicate the physical achievements proposed to be attained from the financial outlay. A budget which exhibits not only the financial but also the physical targets is a performance budget. Some of the development departments in the state a bringing out the physical achievements accomplished and targeted in separate budget publications.

ZERO-BASED BUDGETING

3. Zero base implies that all activities and priorities are revised afresh to create a new and better set-up of allocation for the coming budget year. The essence of this budgeting is to prepare a defence of a 'budget request' with out making any reference to the level of previous appropriations. The Central and State Governments are required to follow this approach for the preparation of their budgets.

PLANNING COMMISSION

4. There is no reference to the Planning Commission in the Constitution through Several commissions have been given Constitutional status. The only reference to planning in the Constitution is in entry 20 of the Concurrent list - 'Economic and Social Planning'. In pursuance of the power conferred by entry 20 of the Concurrent list a Planning Commission was set up in 1950 by the Government of India. This was an extra - Constitutional and non-statutory body set up by an executive resolution of the Government to act as an Advisory body. Prime Minister Nehru was its first Chairman and ever since

every Prime Minister has become the chairman of the Commission. The Minister of Finance is the Member of the Commission along with a few Ministers of Economic Ministries. There are also other members drawn from other fields, particularly from among persons having specialised knowledge in Economics.

The function of the Commission is to formulate & integrate Five Year Plans for economic and social development and for the 'most effective and balanced utilisation of the country's resources' which would initiate a 'process of development which will raise living standards and open out to the people new opportunities for a richer and more varied life'.

The Planning Commission is however, only an advisory body. It formulates plans but has no executive authority to implement them. As the Planning commission has been set up in pursuance of the power vested by the Concurrent list subject, the Commission can make plans for the Union as also for the States, leaving their implementation to the Union Government or State Government as the case may be. Planning pervades all Departments of Government, both at Centre and in the States, and this accounts for the ever increasing sweep of economic and financial responsibilities of the Planning Commission. The Central Plan assistance to the states is given by grants made under Article 282 of the Constitution and here the Planning Commission plays decisive role in Federal Financial Relations.

CENTRALLY SPONSORED SCHEMES

5. Only such schemes will be taken up as Central Schemes which:
 - i) Relate to demonstrations, pilot project, surveys and research
 - ii) have a regional or inter-state character
 - iii) require lump sum provision until they could be broken down territorially, and
 - iv) have an overall significance from all India angle.
- 1.1 These schemes are designed by the Central Government and implemented either directly or through the State Governments. The finances required by the State Governments to implement these Centrally sponsored Schemes are made available wholly or partly. In the latter case, the states make a matching contribution or meet the balance of cost. The C.S.S. are included in the Plan Budget.

NATIONAL DEVELOPMENT COUNCIL

6. The National Development Council was formed in 1952. It is an extra constitutional and extra legal body. It consists of the Prime Minister of India

and Chief Ministers of all the States. Presently all members of the Union Cabinet as also the Administrators of the Union Territories have become members of the council. The functions of the council are to strengthen and mobilise the efforts and resources of the Nation in support of the plans, to promote common economic policies in all vital spheres and to ensure the balanced and rapid development of all parts of the country and in particular.

To review the working of the National Plan from time to time, and

To recommend measures for the achievement of the aims and targets set out in the National Plan.

- 6.1 This is the highest policy making body in our country, functioning almost as a super cabinet in economic affairs.

FINANCE COMMISSION

The Finance Commission is appointed by the President under Article 280 of the Constitution read with the Finance Commission (Miscellaneous Provisions) Act, 1951. It consists of a chairman and four other members. The Chairman shall be a person having experience in public affairs and the four other members shall be appointed from among the following:

Persons who are or are qualified to be appointed as High Court Judges.
Persons having special knowledge of the finance and accounts of the Government.

Persons having wide experience in financial matters and administration and
Persons having special knowledge of economics.

- 7.1 It was intended that the Commission should be broad based, capable of looking at the problems facing it from all angles. The first Commission was appointed in the year 1952 and thereafter every five years. It is the duty of the commission to make recommendations to the President as to:

The distribution between the Union and the states of the net proceeds of taxes which are, or may be distributed between them and the allocation between the States of the respective shares of such proceeds: (Eg. Income Tax and Central Excise Duties).

The principles which should govern the grants-in-aid of the revenue of the states out of the Consolidated Fund of India.

Any other matters referred to the Commission by the President in the interest of sound finance.

- 7.2 By practice and convention, the needs of the states relate only to non-plan expenditure. Expenditure on Plan investment and central financial assistance to the states on account of State Plans and Centrally Sponsored Plans are outside its scope. While the scope of the Finance Commission is limited to

review of the revenue segment of the Budget, the Planning Commission takes an overall review embracing both capital and revenue requirements of states.

8. THE BUDGET consists:

Consolidated Fund of the States,

Contingency Fund of the State, and

Public Account of the State.

- 8.1 The transaction relating to the consolidated fund of the states are accounted for in three different sections, viz. (a) Revenue Account (b) Capital Account (c) Loan Account. As per article 266 (1) of the Constitution, all revenues received, all loans raised by the issue of Treasury Bills, loans, or ways and means advances and all money received in repayment of loan shall form "Consolidated Fund of the State".
- 8.2 As per Art. 267 (2) of the Constitution "Contingency Fund of the State" is in the nature of an advance of 50 crores from the Consolidated Fund of the State. It is intended to provide advances for meeting unforeseen expenditure arising in the course of the year, pending authorisation of such expenditure by law to be passed by the state Legislature under Art. 205 and 206 of the Constitution.
- 8.3 As envisaged in Art. 266(2) and 284, the 'Public Account' of the state pertains to all public money received by or on behalf of the State Government which are not creditable to the Consolidated Fund of the State. The State Government acts as Bankers in receiving amount which they subsequently recover. Some are merely adjusting heads and all theses transactions are cleared eventually by adjustment under final heads.

DEPARTMENTAL BUDGET ESTIMATES

9. The budget is based on the departmental estimates submitted by the Heads of departments and certain other estimating officers, and are based on the estimates submitted by the District Officers of the departments.
- 9.1 Heads of Departments and other estimating officers should prepare their estimates in duplicate on the skeleton forms furnished by the Finance Dept. and send one copy direct to the Finance Dept. and the other to the Administrative Dept. of the Secretariat concerned. As laid down in para 16.9.1 of the Budget Manual, all budget estimates, should be submitted to the Administrative Depts. of Secretariat concerned with a copy to the Finance and Planning (Fin. Wing) Dept. not later than 1st October.
- 9.2 The administrative dept. should send the estimates with their comments so as to reach the Fin. Dept. by 15th.
- 9.3 The Accountant General will also forward the skeleton forms with the account

figures of the previous budget year and the actuals for the first five months of the current financial year to the Fin. Dept. in batches between 10th October and 31st December.

9.4 The form of departmental estimate is given below

Minor heads, sub-head and Detailed heads of appropriation (1)		Accounts for the year (in rupee) (2)
Budget Estimates for the Current year (3)	Revised Estimates for The current year (4)	Budget estimates for the next year (5)

9.5 An explanatory note to justify the provisions under each sub-head of account should be given covering the following:

- a. The objectives of the department or the scheme.
- b. The quantum of work done by the department, the physical targets achieved under the scheme during the previous year and the physical targets proposed to be achieved during the current year and the next year.
- c. the justification for various categories of posts and the number of posts in each category.
- d. relevance of the programme to the overall objective in the present context, and
- e. The consequence of its non-funding.

9.6 The provisions under the concerned detailed heads i.e. standard objects of expenditure, should be included keeping in view the guidelines indicated in A.P. Budget Manual read with G.O.Ms. No. 664 Fin B.GI Dt 27-10-2001 with effect from 1-4-02 which have Nos. 010 to 700.

9.7 The provision for Leave Travel Concession and other fringe benefits to employees, i.e., Educational Concessions etc., shall be included under "Salaries"

9.8 The estimates for contingent expenditure shown under "130 - office expenses"

9.9 Details of the items of contingent expenditure included, detailed reasons together with figures should be furnished along with the actuals for the past three years in respect of each item.

9.10 Proper attention must be paid while estimating water and electricity charges which should take into account pending arrear bill, the increase in tariff rate etc. and provision for the amounts that will become payable in the year.

9.11 Wherever arrears are included, detailed reasons together with figures should be indicated

- 9.12 Provisions should be made in the Budget Estimates for the coming year for all sanctioned schemes but not for schemes of new expenditure which have been submitted to Government but not yet sanctioned.
- 9.13 Inclusion of lumpsum provision in the estimates should be avoided.
- 9.14 Estimating officers should, in preparing the Budget Estimates, make provisions for contingent expenditure etc. on the basis of the lowest expenditure incurred in any of last three years. No increase in provision will be allowed except for special reasons.
- 9.15 Provision for the maintenance of office motor vehicles should be made under the sub detailed head "057 maintenance of functional vehicles". Similarly the provision required for maintenance of functional vehicles like Ambulance Van etc. should be made under the sub-detailed head of account 510 - Motor vehicles' under the respective sub-head of account. The payment required for payment of hiring charges should be made under the head "690-Hiring of Private Vehicles".
- 9.16 The estimating officers should ensure that provisions are included in the Budget Estimates for all items of expenditure which can be foreseen and avoid obtaining supplementary grants during the course of the year. They should prepare the estimates very accurately and include schemes and the provision therefore definitely be spent during the year so as to avoid surrender of huge sums at the end of the year.

REVISED BUDGET ESTIMATES

10. The Revised Estimate for a year is an estimate of the probable receipts or disbursements under each head for that year framed in the course of the year, with reference to the actual transactions recorded for the months of that year for which complete accounts have become available. The revised estimates are prima facie the best guide to the coming year's estimates. They would enable the Govt. to arrive at the appropriate closing balance for the current year which will become the 'opening balance' for the next year. It is therefore essential that. Revised Estimates are prepared with great care and should be as close as possible to the actual. There are 3 methods for the calculation of Revised Estimates under para 16.6 of the Budget Manual. One of the 3 methods which is considered to be most suitable for each particular case can be adopted. It should be noted that the Revised Estimates do not authorise any expenditure. If provision is made for additional expenditure in them it is necessary to apply separately for additional appropriation required. Similarly, a reduction in the provision of funds for the revised estimates does not obviate the necessity for the formal surrender of any amount provided in the Budget Estimates. Any marked increase in the estimated figures should be covered by Govt. orders permitting provision of such mass increase.

NUMBER STATEMENTS

11. According to para 16.20.1 of the A.P. Budget Manual, the Heads of Departments and the other Estimating Officers are required to submit number statements to the Finance Dept. by 1st August every year, a statement giving particulars of posts in each permanent and temporary establishments (both gazetted and non-gazetted), the sanctioned monthly pay, the special pay if any, and the fixed allowances attached to posts or Individuals that will be drawn on the 1st April, of the following year and number of officers at each rate of pay for whom provision is required under "011 Pay of officers", Pay of Establishment", "013 - Dearness Allowance", House Rent Allowance", and "012 Other Allowances" shall be exhibited separately under the detailed head "010 Salaries". The provisions required for meeting the expenditure on educational concession, medical reimbursement charges etc. should be shown under the sub-detailed head "012 - other allowances", and the LTC shall be shown under separate sub-detailed head" 017 - leave Travel Concession" under the detailed head salaries and the details given separately for each of the above items. The details of vacant posts and the period they are likely to be vacant should be indicated in the number statements. Copies of the Govt. sanctions in respect of all temporary establishments should be enclosed to the number statements and their references indicated in the statement where the particulars of staff are given. The number statements in respect of posts under Plan, Non-plan and Grants-in-aid towards salaries shall be sent separately under respective sub-heads, and major heads of accounts. All the Heads of Depts. and other estimating officers should furnish the number statements in the proforma-I and II prescribed by the Finance dept.

BUDGET ESTIMATES RELATING TO PLAN

12. The heads of dept. and the estimating officers should prepare plan budget separately and should not be mixed up or merge with Non-plan provisions. The Departmental Clearance Committee constituted in G.O.Ms.No.26 F&P (Plg. wing AP.I) Dept., dt. 8-5-95, is convened by the Planning Dept. for new schemes included in the Plan. Proposals to the Departmental Clearance Committee/Project and Programme Approval Committee in the proforma prescribed by the Govt. (Annexure I and II appended to Govt. (Annexure I and II appended to Govt. U.O. Note No: 6217/Plg.,A.P./91-1 F& P Dept. dt.1-4-91) should be furnished to the Administrative Dept./Plg. Dept. in 10 copies.

FINAL BUDGET

13. Finance Dept. will determine the final estimates, by about the end of January. Copies of the budget publication containing inter alia the "Annual Financial Statement" or "Budget" prepared by the Finance Dept. are sent to the secretary to the State Legislature for circulation to the members at the time of presentation of Budget by the Finance Minister on a day to be fixed by the Governor which will ordinarily be towards the end of February.

14. There are three stages in the preparation, presentation and obtaining of approval of legislature for the Budget.
- 14.1 FIRST STAGE:** Under Article 202, of the Indian Constitution, a statement of estimated receipts and expenditure of the State for each financial year has to be laid before the Legislature. This statement is known as the "Annual Financial Statement" or "Budget". It shall show separately (a) the sums required to meet the expenditure charged on the Consolidated Fund of the State and (b) the sums required to meet other expenditure proposed to be made from the Consolidated Fund of the State. It shall distinguish expenditure on revenue account from the other expenditure.
- 14.2 SECOND STAGE:** Under Art. 203 of the Constitution, Demand for grants indicating the service of administration (or Dept.) to which the demands relate are presented to the legislature. These demands are discussed in the Legislative Assembly and voted.
- 14.3 THIRD STAGE:** Under Art.204 of the Constitution, after the Demands for Grants are voted by the Assembly, an appropriation required to meet the expenditure charged on the Consolidated Fund, will then be introduced in the Legislative Assembly. After the bill is passed by the Houses of Legislature, the appropriation Act will be submitted to the Governor for approval and this Appropriation Act, permits the chief controlling officer / subordinate controlling officers / drawing and disbursing officers to incur expenditure from the Consolidated Fund of the State for meeting the day to day expenditure on public service.

VOTE ON ACCOUNT

15. The above three stages are normally expected to be completed by 31st March. If any delay is anticipated in this regard, demands for advance grants in respect of the estimated expenditure for a part of the Budget year, may be presented to the Legislative Assembly. Thereafter the demands will be discussed, voted and finally passed an appropriation act in the manner laid down in Art.203 and 204 of the Constitution. This is called "Vote on Account". It permits the Govt. to spend money from the Consolidated Fund of the State, a portion of the financial year from 1st April, pending the passing of Appropriation bill for the whole year.

BUDGET CONTROL AND DISTRIBUTION OF FUNDS TO DISTRICT OFFICES

16. The expenditure incurred during the year should be kept within the provision authorised in the demands for grants and the Appropriation Act. There is a Chief Controlling Officer for every service or administrative department who will ensure control of expenditure with reference to details of expenditure reported by the Disbursing officers in Form "B" every month. The figures are consolidated in form "O" by the Chief Controlling Officer.

- 16.1 The Treasuries in the Districts and the Pay and Accounts Officer in the twin cities render compiled account of receipts and expenditure of the Govt. to the Accountant General.

Computerisation of each month's Govt. accounts, including those relating to Pay and Accounts Office, Hyderabad has been attempted from April, 1979. The purpose sought to be achieved by these computerised print-outs supplied by the Fin. & Plg. Dept. to the Chief Controlling Officers are: (a) reconciliation of receipts and expenditure treasury wise with District Departmental figures every month, (b) monitoring the progress of Plan and Non-plan Schemes with reference to State level expenditure figures (c) reallocation of budgetary resources in time and (d) reconciliation of departmental figures with the books of the Accountant General.

RECONCILIATION OF DEPARTMENTAL FIGURES WITH THOSE BOOKED IN THE TREASURIES AND THE FIGURES BOOKED IN THE ACCOUNTANT GENERAL'S OFFICE

- 17 According to para 19 of the Budget Manual, every chief controlling officer should watch the progress of expenditure continuously and for this purpose, he should require the Disbursing Officers to report every month the figures of actual expenditure during the previous month and the liabilities incurred, but not yet paid. Each disbursing officer should therefore maintain a register of disbursements and liabilities and as soon as a bill is encashed at the treasury, it should be posted in the appropriate columns of the register against the District Treasury in which the payment is made. The disbursing officer and the chief controlling officer shall reconcile the figures of expenditure with those booked in the treasury and this reconciliation work must be completed on or before 4th of each month for the expenditure incurred in the previous month. After the close of each month, every disbursing officer should, after reconciliation with treasury figures as prescribed by the chief controlling officers in consultation with the District Treasury Officer, forward to the controlling officer immediately superior to him an extract of his account.
- 17.1 The chief Controlling Officer should consolidate the totals of his own expenditure and that shown in the extracts from the registers of the subordinate controlling officers and he should send a clerk of his office to the Account General's office with the departmental register, quarterly, on a date to be fixed to each department by the Accountant General. The clerk should with the assistance of the AG's staff compare the departmental figures with those recorded in the AG's books and prepare a statement of discrepancies the adjustments to be made by the Chief Controlling Officer. One copy of the statement of discrepancies shall be handed over immediately to the AG's reconciliation clerk for affecting the necessary adjustments to his office where necessary adjustments should be effected in the departmental registers. The chief controlling officer should then send a certificate to the AG that this work has been done. Similarly the AG's office makes the necessary adjustments in

his books and informs the clerk that the adjustments have been done. The chief controlling officer should then send a certificate to the AG stating that the figures in his registers have been reconciled with those in the books of the AG. The Treasury shall prescribe a date on which each drawing officer shall reconcile monthly figures with the Treasury or Pay & Accounts Office. The Treasuries and Pay and Accounts Office shall maintain a register showing the dates on which the reconciliation was made by the officers and shall verify the correctness of the certificate furnished by the drawing officers along with the pay bills.

- 17.2 The chief controlling officer (i.e. Heads of departments) shall get the figures of receipts and expenditure for the entire state reconciled with those booked in the AG's office on quarterly basis by following the procedure already prescribed and a certificate to that effect shall be furnished to the Pay and Accounts Officer. The chief controlling officer shall furnish the PAO the designation of the officer/officers in his office entrusted with the responsibility of reconciling the consolidated state wide figures of receipts and expenditure with the Accountant General, head of account wise.
- 17.3 The salary of the concerned officer who is responsible for reconciliation, shall not be allowed to be paid by the PAO for the second month in the next quarter if a certificate of reconciliation with the AG's figures is not furnished to the PAO i.e. if the officer fails to get the accounts reconciled for the quarter April to June by the end of August, the salary for the month of September shall not be allowed to be drawn by the Treasury or the PAO, as the case may be. As per G.O. Ms.No.451 Fin (TFR) Dt. 9-10-2003 unless a certificate of reconciliation for the previous but one quarter is given no authorization for Budget release will be given by Director of Treasurers & Accounts.

THE BUDGET CONTROL PROCEDURE

18. In order to ensure that the expenditure is kept well within the budget allotment and to avoid ways and means difficulties, Govt. introduced with effect from 1.8.67, a system of control over expenditure with particular reference to the budget allotments.
- 18.1 Heads of departments should prepare and send the distribution statements of funds direct to their subordinate officers and the District Treasury Officers with copies to the Director of Treasuries and Accounts. The DTOs should act on the basis of these statements without waiting for the authorisation from the Director of Treasuries and Accounts and admit expenditure for the first three months of financial year i.e. April, May and June.
- 18.2 In the meantime, the Director of Treasuries and Accounts will scrutinise the statements and communicate them to the Treasury officers for admitting expenditure, before the end of June.
- 18.3 The expenditure for the entire year should however be regulated only on the

basis of authorised statements communicated by the Director of Treasuries and Accounts and variations in the statements first communicated by the controlling officers directly as compared to the figures authorised by the Director of Treasuries and Accounts, should be reported by the Director of Treasuries and Accounts, for reconciliation to the Heads of departments.

- 18.4 If the statements are not received before the end of June through the Director of Treasuries and Accounts, the DTO will not admit fresh expenditure in audit.
- 18.5 In respect of items which are exempted from Treasury Control DTO may continue to admit bills till the end of June even in the absence of distribution statements from the chief controlling officers.
- 18.6 In respect of departments having Chief Accounts Officers, while communicating the distribution statements to the DTO it should be clarified by the concerned Heads of departments that statements of distribution are issued with the concurrence of Director of Treasuries and Accounts only, quoting his reference number and date. A copy of this should be marked to Director of Treasuries and Accounts. The DTO should not insist for a separate authorisation from the Director of Treasuries and Accounts and can admit the bills.
- 18.7 The Chief controlling officer/Estimating officers have to incur expenditure under Plan and Non-Plan on quarterly basis except where specific authorisation has been given by the finance department for incurring expenditure otherwise.

SUPPLEMENTARY GRANTS

19. Unavoidable and unforeseen circumstances may however, arise in the course of a financial year, making it necessary to incur urgently fresh expenditure under one or more detailed heads or to incur expenditure on a new service, not contemplated in the original Budget Estimates. In such cases, savings in other appropriations by postponement or curtailment of less urgent expenditure, may be reappropriated except when it is on account of a 'New Service'. If this is not possible expenditure should be presented to the Legislature as laid down in art.205 of the Constitution. 15th February is fixed as the last date for submission to Govt. by controlling officers of applications for surrender of savings in appropriations and for reappropriation and supplementary appropriations. 25th February is the date by which the Finance Dept. should receive the above proposals from the Administrative departments.
- 19.1 In the case of supplementary grants, it is not necessary to postpone the expenditure till the receipt of Appropriation Act. Bills can be presented at the Treasuries/PAO, after obtaining the approval of the Director of Treasuries and Accounts by appending the certificate, if it is under the purview of Treasury control, that "The additional amounts included in the statement are those for

which the supplementary estimates have been accepted by the Fin & Plg. (Fin.Wing) Dept" (Govt. circular Memo (No.3511/d/20/W&HII/81F&P and Govt. Memo No.1589-B/25/W&III, F&P).

NEW SERVICE

20. The revised monetary limits for treating the schemes to be introduced during the course of the year as "New Service/New Instruments of Service" are indicated in the Annexure to G.O.Ms.No.26, Fin.(BG) Dept. dt.18.5.90. Expenditure on a 'New Service' not contemplated in the Budget .Estimates for the year should not be incurred whether the expenditure is charged or voted and whether it can be met by reappropriation or not, until it is included in a supplementary statement of expenditure presented to the Legislature and eventually in an Appropriation Act. If the expenditure can be met from the savings with in the grant, wholly or in part, it will be sufficient, if a token sum of Rs.1,000/- or the balance actually required, as the case may be, is included in the supplementary statement of expenditure.

ADVANCES FROM CONTINGENCY FUND

- 20.1 Pending the authorisation of funds by the Legislature, an advance may be sanctioned by the Governor from the "AP Contingency Fund" to enable urgent expenditure being incurred on a "New Service or on an existing service" Advance from the Contingency Fund do not lapse at the end of the financial year. Supplementary estimates for recoupment of advances sanctioned from the Contingency Fund should be made to the Finance and Planning Dept. by the Administrative Dept., concerned.

REAPPROPRIATION OF FUNDS

21. Reappropriation of funds as between different grants or between revenue, capital and loans sections with in the same sections of the grant are not permissible. Reappropriation should not be sanctioned by Head of depts. from Plan to Non-plan expenditure and vice-versa.
- 21.1 As per Govt. circular memo No.2725/938/BGAI/97-1 F&P., dt.11.9.97, reappropriation of funds from one head to the other as stipulated in para 20 of Budget Manual may be sanctioned by Heads of Departments.
- 21.2 Reappropriation should invariably be in multiples of Rs. 1,000/-
22. The final appropriations and the actual expenditure in the year under each head of appropriation within the several grants will be shown in the detailed "Appropriation Accounts" prepared by the Accountant General, after the close of the financial year, together with the explanation reported to him by the controlling officers. Important variations and excesses or savings in the total final appropriation for each grant separately for voted and charged expenditure are brought clearly in the appropriation accounts, which are submitted to the Legislature by the Accountant General. The Legislative

Assembly investigates the variations with reference to the explanations given by the Chief Controlling Officers. The Public Accounts Committee's recommendations are in a report presented to the Legislature.

23. The Legislature, thus, exercises control over finance twice, once-before the approval of the Budget and again, after the expenditure figures are brought out by the Accountant General in the form of Appropriation Accounts.