

**EXCESSES OVER VOTED GRANTS AND CHARGED
APPROPRIATIONS (2021-22)**

**PUBLIC ACCOUNTS COMMITTEE
(2024-25)**

FIRST REPORT

EIGHTEENTH LOK SABHA



**LOK SABHA SECRETARIAT
NEW DELHI**

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PUBLIC ACCOUNTS COMMITTEE **(2024-25)**

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EXCESSES OVER VOTED GRANTS AND CHARGED APPROPRIATIONS (2021-22)



Presented to Lok Sabha on: 10.12.2024

Laid in Rajya Sabha on: 10.12.2024

**LOK SABHA SECRETARIAT
NEW DELHI**

December 2024/ Agrahayana 1946 (Saka)

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COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE

(2024-25)

Shri K. C. Venugopal - Chairperson

MEMBERS

LOK SABHA

2. Shri Thalikkottai Rajuthevar Baalu
3. Dr. Nishikant Dubey
4. Shri Jagdambika Pal
5. Shri Jai Parkash
6. Shri Ravi Shankar Prasad
7. Shri C M Ramesh
8. Prof. Sougata Ray
9. Shri Magunta Sreenivasulu Reddy
10. Smt. Aparajita Sarangi
11. Dr. Amar Singh
12. Shri Tejasvi Surya
13. Shri Anurag Singh Thakur
14. Shri Balashowry Vallabhaneni
15. Shri Dharmendra Yadav

RAJYA SABHA

16. Shri Ashokrao Shankarrao Chavan
17. Shri Shaktisinh Gohil
18. Dr. K Laxman
19. Shri Praful Patel
20. Shri Sukhendu Sekhar Ray
21. Shri Tiruchi Siva
22. Dr. Sudhanshu Trivedi

SECRETARIAT

1. Dr. Sanjeev Sharma - Joint Secretary
2. Shri Muraleedharan. P - Director
3. Shri Alok Mani Tripathi - Deputy Secretary
4. Ms. Pragya Nama - Assistant Committee Officer

INTRODUCTION

I, the Chairperson, Public Accounts Committee (2024-25) having been authorized by the Committee, do present this First Report (Eighteenth Lok Sabha) on **“Excesses over Voted Grants and Charged Appropriations (2021-22)”**.

2. The Union Government Appropriation Accounts relating to Civil Sector were laid on the Table of the House on 31st January, 2023 and Appropriation Accounts relating to Defence Services were laid on the Table of the House on 27th March, 2023. The Appropriation Accounts relating to Postal Services and Railways were laid on the Table of the House on 8th August, 2023.

3. The Committee examined the cases of excess expenditure incurred by the Ministry of Chemicals and Fertilizers (Department of Fertilizers); Ministry of Finance (Department of Expenditure); Ministry of Defence and Ministry of Railways of the Union Government in the 2021-22 fiscal on the basis of the Appropriation Accounts; observations of Audit as contained in the Relevant Reports of the Comptroller and Auditor General of India; and the Explanatory Notes furnished by the Ministries/Departments concerned. The Committee considered and finalized their Report at their Sitting held on 03rd December, 2024. Minutes of the Sitting are given at Appendix - I.

4. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in **bold** and form Part-II of the Report.

5. The Committee would like to express their thanks to the representatives of the Ministry of Chemicals and Fertilizers (Department of Fertilizers); Ministry of Finance (Department of Expenditure); Ministry of Defence and Ministry of Railways for the cooperation extended by them in furnishing the requisite information to the Committee.

6. The Committee also place on record their appreciation of the assistance rendered to them in the matter by the Committee Secretariat and the Office of the Comptroller and Auditor General of India.

NEW DELHI
03 December, 2024
12 Agrahayana, 1946 (Saka)

K. C. VENUGOPAL
Chairperson,
Public Accounts Committee

REPORT

PART-I

A. INTRODUCTORY

(a) Annual Appropriation Accounts of the Union Government

The Committee find that the Appropriation Accounts are annual statements detailing Grant/Appropriation-wise sums spent by the Government in a financial year vis-à-vis the sums specified in the schedule appended to the Appropriation Acts passed under Articles 114 and 115 of the Constitution of India. Such accounts also indicate unspent provisions/excess expenditure under each Voted Grant and Charged Appropriation as a whole during that financial year.

2. Presently, four Appropriation Accounts are presented to Parliament viz. Civil, Defence Services, Postal Services and Railways. The Appropriation Accounts in respect of Grants/Appropriations¹ covered under the Civil Sector are prepared by the Controller General of Accounts (CGA) in the Ministry of Finance. The Non-Civil Ministries/Departments like Defence, Posts and Railways prepare their own annual Appropriation Accounts. These Appropriation Accounts compare grant/appropriation wise summary of provisions for expenditure authorized by Parliament and the actual expenditure from Consolidated Fund of India (CFI) against them. These Appropriation Accounts are audited and certified by the Comptroller and Auditor General (C&AG) of India who also submits separate Audit Reports thereon to the President who, in turn, causes them to be laid before each House of Parliament in terms of Article 151 of the Constitution of India.

3. After their presentation to Parliament, these annual Appropriation Accounts and Audit Reports thereon stand referred to the Public Accounts Committee for examination under the provisions of Rule 308² of Rules of Procedure and Conduct of Business in Lok Sabha.

4. In scrutinizing the Appropriation Accounts of the Government of India and the Reports of the Comptroller and Auditor General of India thereon, it is the duty of the Committee to satisfy themselves: -

- (a) that the moneys shown in the accounts as having been disbursed were legally available for, and applicable to, the service or purpose to which they have been applied or charged;
- (b) that the expenditure conforms to the authority which governs it; and
- (c) that every re-appropriation has been made in accordance with the provisions made in this behalf under Rules framed by the competent authority.

5. If any money has been spent on any service during a financial year in excess of the amount granted by Parliament for that purpose, the Committee examines, with reference to the facts of each case, the circumstances leading to the excesses and make such recommendations as they may deem fit.

(b) Rules/Provisions for controlling excess expenditure

6. The following Constitutional Provisions and Rules are laid down for control of excess expenditure by the Government:

¹In a Demand for Grants, provision for voted expenditure is called a Grant and for charged expenditure it is called an Appropriation.

²This Rule defines the functions of the Public Accounts Committee.

- (i) Article 114 (3) of the Constitution provides that subject to the provisions of Articles 115 and 116, no money shall be withdrawn from the Consolidated Fund of India (CFI) except under appropriations made by law passed in accordance with the provisions of this Article.
- (ii) Further, Rule 57 (3) of the General Financial Rules (GFR), 2017 stipulates that no disbursements be made which might have the effect of exceeding the total Grant or Appropriation authorized by Parliament for a financial year except after obtaining a Supplementary Grant or an advance from the Contingency Fund.
- (iii) Article 115(1) (b) of the Constitution stipulates that if any money had been spent on any service during a financial year in excess of the amount granted for that service and for that year, the President should cause to be presented to the House of People a demand for such excess.
- (iv) Indian Railway Financial Code, Volume-I also addresses the issue of excesses over Grants in so far as Railway finances are concerned. According to paragraph 371 of this code, the Railway administration shall be responsible to ensure that no expenditure is incurred in excess of the Budget allotments made to them. Similar provisions also exist under paragraphs 782 and 783 of Postal Manual, Volume II (Fourth Revised Edition) which, *inter-alia* prescribe that control in relation to budget allotments must secure that expenditure is not incurred under any head in excess of the funds allotted to that head.

(c) Procedure for regularization of excess expenditure

7. According to the procedure laid down for regularization of the excess expenditure, the Ministries/Departments of the Government of India are required to furnish to the Public Accounts Committee, Explanatory Notes detailing the reasons for or the circumstances leading to the excesses under each excess registering Grant/ Appropriation along with the relevant Appropriation Accounts. Thereafter, the Public Accounts Committee proceed to examine, in the light of the Explanatory Notes furnished by the Ministries/Departments concerned, the circumstances leading to such excesses and present a Report thereon to Parliament recommending *inter-alia* regularization of the excesses subject to such Observations/Recommendations as they may like to make. Pursuant to the Observations/Recommendations made in the Report of the Committee, the Government initiates necessary action to have the excesses regularized by Parliament, under Article 115 (1) (b) of the Constitution, either in the same Session in which the Committee present their Report or in the Session following it.

(d) Union Government Appropriation Accounts (2021-22)

8. The details of the four Union Government Appropriation Accounts (2021-22) viz. the dates of laying of these Accounts on the Table of the House, the number of Grants/Appropriations operated under each of the four Appropriation Accounts and the relevant Chapters/Paragraphs of the Audit Reports highlighting the Audit findings are given below:-

Sl. No.	Appropriation Accounts	Date of laying on the Table of the House	No. of Grants/ Appropriations highlighted	C&AG's Report in which audit findings highlighted
1.	Civil	31.01.2023	97	Chapter 4 (Para 4.2.1) of C&AG's Report No. 21 of 2023, Union Government, Accounts of the Union Government, (Financial Audit)
2.	Defence Services	27-03-2023	2	Chapter 4 (Para 4.2.1) of C&AG's Report No. 21 of 2023, Union Government, Accounts of the Union Government, (Financial Audit)
3.	Postal Services	08-08-2023	1	Chapter 4 (Para 4.2.1) of C&AG's Report No. 21 of 2023, Union Government, Accounts of the Union Government, (Financial Audit)
4.	Railways	08-08-2023	1	Chapter 2 (Paras 2.5 & 2.7) of C&AG's Report No. 13 of 2023, Union Government (Railways) Railways Finances
Total No. of Grants/Appropriations:			101	

9. In this Report, the Committee have examined those Grants/ Appropriations where money has been spent in excess of the amount authorized by Parliament for specified services for the year 2021-22 and which require regularization by Parliament under Article 115(1)(b) of the Constitution of India.

B. EXCESS EXPENDITURE OVER VOTED GRANTS AND CHARGED APPROPRIATIONS (2021-22)

10. Scrutiny of the four Appropriation Accounts (2021-22) revealed that there was an excess disbursement of ₹ 1291.14 crore over the authorization from the CFI during 2021-22. The aforesaid excess disbursement occurred in four Grants/Appropriations operated by Civil Ministries/Departments and Railways. Details in this regard are given below:

(In unit of rupees)

Sl. No.	Name of Appropriation Accounts	No. of excess registering Grants/ Appropriations	No. of cases involved	Amount of excess expenditure incurred
1.	Civil	3	3	1235,97,65,025
2.	Defence Services	Nil	Nil	Nil
3.	Posts	Nil	Nil	Nil
4.	Railways	1	1	55,16,10,149
Total		4	4	1291,13,75,174

(a) **Details of Excess Disbursement over Voted Grants/Charged Appropriations (2021-22)**

11. The details of four cases of four Voted Grants/Charged Appropriations under which the actual expenditure had exceeded the sanctioned provision during the financial year 2021-22 as shown in the relevant Union Government Appropriation Accounts/Explanatory Notes furnished by the Ministries/Departments concerned are given below:-

(In unit of ₹)

Sl. No.	No. & Name of Grant/ Appropriation	Administrative Ministry/ Department	Original Grant/ Appropriation(O) Supplementary Grant/ Appropriation(S) Total Grant/ Appropriation (T)	Actual Expenditure	Excess Expenditure	Percentage of excess expenditure over total Grant/ Appropriation
1	2	3	4	5	6	7
APPROPRIATION ACCOUNTS – CIVIL						
1.	6-Deptt of Fertilizers (Revenue-Voted)	Chemicals and Fertilizers	O- 83596,77,00,000 S -73695,16,00,000 T- 157291,93,00,000	157785,30,93,000	493,37,93,293	0.31
2.	18- Ministry of Defence (Civil) (Revenue-Charged)	Defence	O- 70,00,000 S -1,52,00,000 T- 2,22,00,000	2,25,17,000	3,16,544	1.43
3.	39 Pensions (Revenue-Voted)	Finance	O- 56473,12,00,000 S -7132,00,00,000 T- 63605,12,00,000	64347,68,55,000	742,56,55,188	1.17
Total			220899,27,00,000	222135,24,65,000	1235,97,65,025	0.56
APPROPRIATION ACCOUNTS – Railways						
4.	84 Railways (Capital-Charged)	Railways	O- 92,08,00,000 S -606,92,00,000 T- 699,00,00,000	753,80,99,395	54,80,99,395 Misclassification: 35,10,754 Net Excess: 55,16,10,149	7.89
Total			699,00,00,000	753,80,99,395	55,16,10,149	
Grand Total			221598,27,00,000	222889,05,64,395	1291,13,75,174	0.58

12. Thus, the total amount of actual excess expenditure incurred during the financial year 2021-22, which requires regularization by Parliament under Article 115(1)(b) of the Constitution amounts to ₹1291,13,75,174 incurred in four cases of excess over Voted Grants/Charged Appropriations.

(b) Reasons for incurring Excess Expenditure

Sl. No.	No. and name of Grant/Appropriation	Excess Expenditure incurred (in unit of ₹)	Reasons for excess as stated by the Ministries/Departments concerned
1.	6-Deptt of Fertilizers (Revenue-Voted)	493,37,93,293	On account of steep escalation in international prices of Imported Urea and due to requirements of additional funds towards sustaining operation of Urea Manufacturing units.
2.	18- Ministry of Defence (Civil) (Revenue-Charged)	3,16,544	Due to finalization of more number of court cases.
3.	39 Pensions (Revenue-Voted)	742,56,55,188	Due to multiplicity of spending units and due to the factors and circumstances which were not anticipated and were beyond the control of the department.
4.	84 Railways (Capital-Charged)	55,16,10,149	Due to making of more court decreed payments than anticipated earlier.

(c) Excess Expenditure despite obtaining Supplementary Grants

13. A scrutiny of the relevant Appropriation Accounts and Explanatory Notes received from the Ministries/Departments concerned revealed that during the financial year 2021-22, the excess expenditure was incurred even after obtaining Supplementary Grants/Appropriations in all the four cases by the respective Ministries/ Departments to meet their additional requirements:

(In unit of ₹)

Sl. No.	No. and name of Grant/ Appropriation	Amount Supplementary Grant/ Appropriation obtained	Amount excess expenditure incurred	Percentage of excess over Supplementary Grants/Appropriations
1	2	3	4	5
APPROPRIATION ACCOUNTS – CIVIL				
1.	6-Deptt of Fertilizers (Revenue-Voted)	73695,16,00,000	493,37,93,293	0.67
2.	18- Ministry of Defence (Civil) (Revenue-Charged)	1,52,00,000	3,16,544	2.08
3.	39 Pensions (Revenue-Voted)	7132,00,00,000	742,56,55,188	10.41

APPROPRIATION ACCOUNTS – RAILWAYS

4.	84 Railways (Capital-Charged)	606,92,00,000	55,16,10,149	9.09
	Total	81435,60,00,000	1291,13,75,174	1.58

14. Scrutiny of the above statement has revealed that in the fiscal year 2021-22, excess expenditure was incurred even after obtaining large sums as Supplementary Grants/Appropriations. To illustrate, a Supplementary Grant to the tune of ₹73695.16 crore was allocated for the Grant no. - 6 operated by the Department of Fertilizers but this fell short by ₹493.38 crore. In case of Grant No. 18 operated by the Ministry of Defence, although a Supplementary Grant of ₹ 1.52 crore was obtained, excess expenditure of ₹ 3.17 lakh was incurred. Further, in the case of Grant No. 39, operated by the Ministry of Finance, a Supplementary Grant of ₹ 7132 crore was obtained but this fell short by ₹ 742.56 crore. In case of Grant No. 84 operated by the Ministry of Railways, although a Supplementary Grant of ₹606.92 crore was obtained, excess expenditure of ₹ 55.16 crore was incurred.

(d) Recurring Excess Expenditure

15. Article 114(3) of the Constitution provides that no money be withdrawn from the Consolidated Fund of India (CFI) except under appropriations made by law passed in accordance with the provisions of this Article. Further, Rule 57(3) of General Financial Rule (GFR), 2017 stipulates that no disbursement be made which might have the effect of exceeding the total Grant or Appropriation authorized by Parliament for a financial year except after obtaining a Supplementary Grant or an advance from the Contingency Fund. Contrary to this, the incurrence of excess expenditure has been a recurring phenomenon in the past despite recommendations of the Public Accounts Committee and issuance of instructions by the Ministry of Finance from time to time as a follow up. The comparative data given below indicates the position regarding excess expenditure incurred by various Ministries/Departments during the last ten years:

(₹ in crore)

Year	Appropriation Accounts -Civil		Appropriation Accounts - Defence Services		Appropriation Accounts Postal Services		Appropriation Accounts - Railways		Total	
	No. of Excess registering Grants/Appropriations	Excess expenditure incurred	No. of Excess registering Grants/ Appropriations	Excess expenditure incurred	No. of Excess registering Grants/Appropriations	Excess expenditure incurred	No. of Excess registering Grants/Appropriations	Excess expenditure incurred	Total of Columns 2, 4, 6, 8	Total of Columns 3, 5, 7, 9
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
2011-12	5	6545.33	1	567.91	1	400.04	4	1049.86	11	8563.14
2012-13	4	4565.39	3	195.53	1	160.14	8	1675.96	16	6597.02
2013-14	3	39.59	3	733.72	-	-	12	2734.91	18	3508.22

Year	Appropriation Accounts -Civil		Appropriation Accounts - Defence Services		Appropriation Accounts Postal Services		Appropriation Accounts - Railways		Total	
	No. of Excess registering Grants/Appropriations	Excess expenditure incurred	No. of Excess registering Grants/ Appropriations	Excess expenditure incurred	No. of Excess registering Grants/Appropriations	Excess expenditure incurred	No. of Excess registering Grants/Appropriations	Excess expenditure incurred	Total of Columns 2, 4, 6, 8	Total of Columns 3, 5, 7, 9
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
2014-15	3	15640.55	1	0.001	1	70.41	6	496.99	11	16207.95
2015-16	2	210.37	-	-	-	-	6	76.07	8	286.44
2016-17	2	189154.26	1	146.31	1	936.48	3	33.21	7	190270.26
2017-18	2	92461.31	2	7149.00	-	-	-	-	-	99610.30
2018-19	1	0.22	2	5098.61	-	-	1	105.74	4	5204.57
2019-20	2	31936.47	1	701.31	-	-	-	-	3	32637.78
2020-21	3	118651.04	-	-	-	-	-	-	3	118651.04
2021-22 (year under review)	3	1235.98	-	-	-	-	1	55.16	4	1291.14

(C) EXAMINATION OF SELECT CASES OF EXCESS EXPENDITURE

16. In the succeeding paragraphs, the Committee have dealt with some of the significant cases involving excess expenditure during the financial year 2021-22 in the light of the facts brought out in the relevant Appropriation Accounts, Audit observations thereon, Explanatory Notes and written replies furnished by the Ministries/Departments concerned.

(a) APPROPRIATION ACCOUNTS (CIVIL)

(i) GRANT NO. 6 –Department of Fertilizers

17. The total provision under Revenue Section (Voted) under the Demand No. 6-Department of Fertilizers for the year 2021-22 was ₹ 83596.77 crores. During the year 2021-22, an additional amount of ₹1 lakh in the 1st batch of supplementary, ₹ 58430.00 crore in the 2nd Supplementary Grant and ₹ 15265.15 crore were allocated in the 3rd Supplementary Grants under the Revenue Section. Thus, total allocation for the Department was ₹157291.93 crore. Against that allocation, an actual expenditure of ₹ 157785.31 crore was incurred, resulting in excess expenditure of ₹ 493.38 crore in the Revenue Section.

18. Details of the Major/Minor Heads under which substantial excess expenditure occurred under this Grant and reasons therefor are given below:

Sl. No.	Major/Minor Head	Excess Expenditure (₹ in crores)	Contributory Reasons
MAJOR HEAD: 2852 Urea Subsidy Scheme			

Sl. No.	Major/Minor Head	Excess Expenditure (₹ in crores)	Contributory Reasons
1	Sub-Head: 2852.03.101.06(General component subsidy)	10315.24	At the time of allocation of budget of ₹ 15000 crore for Urea Subsidy scheme (Indigenous and Imported) after obtaining cash supplementary (2 nd Batch), the amount of Recoveries i.e. ₹ 4930 crore were inadvertently added to ₹ 15000 crore to make it Gross Budget figure. However, the figure of RS. 15,000 crore was already Gross of Recoveries. As a result of it, the amount of Recoveries was got added twice in the figure of ₹15,000 crore and resultantly, the figure of ₹19930 (₹15000 crore + ₹4930 crore) were circulated (copy enclosed at Annexure 1). Realizing this error later, an amount of ₹4436.65 crore were surrendered in Revenue Section (from NBS scheme and other Budget Heads) which was very close to the re-addition of recoveries of ₹4930 crore. Despite the surrender of ₹4436.65 Crore in the overall Revenue Section, there was an excess expenditure of ₹493.3793 Crore in the Revenue Section.
2	Sub-Head: 2852.03.789.06(Special Component for Scheduled Castes)	990.63	
3.	Sub-Head: 2852.03.796.06(Tribal Sub-plan)	513.21	
	Total excess expenditure under major head 2852 Urea Subsidy Scheme	11819.08	

19. As regards the steps taken to avoid excess expenditure under this Grant, the Ministry of Chemicals and Fertilizers in their Explanatory Note have mentioned as under:

“... iFMS system and PFMS systems are being used in the Department to effectively monitor the expenditure on a real time basis so that the excess could be avoided.”

20. Additionally, certain clarifications were sought from the Ministry of Chemicals and Fertilizers. In their Explanatory Note the Ministry have stated as under:

“...the excess expenditure was incurred due to the amount of Recoveries i.e. ₹4930 crore were inadvertently added to ₹15000 crores to make it Gross Budget figure. The Department has taken corrective action by preparing weekly and monthly budget and expenditure Statements both in ‘Gross’ and ‘Net of recoveries’ to avoid any repetition of such mistakes Levels of scrutiny of Budget figures have also been increased. No

such mistake has occurred during the subsequent Financial Years 2022-23 and 2023-24.”

21. Upon observing certain issues in the Explanatory Note of the Ministry of Chemicals and Fertilizers, clarification was sought from the Ministry of Chemicals and Fertilizers on the following points:

- i. The Department of Fertilizers has sought regularization of ₹ 493.38 Crores, yet the amount mentioned in sub-head-wise excesses in the aforesaid explanatory note (Para No. 2) is ₹4930.00 Crores.
- ii. Please provide the sub-head-wise (Revenue/Capital/Charged/Voted) break-up of budget allocation (after adjustment of recoveries), supplementary, re-appropriation, saving, surrender and actual expenditure, where excess occurred during the Financial Year 2021-22.
- iii. Sub-head-wise reasons for excess.
- iv. Details of action taken, if any, to address excess of expenditure.

22. The Ministry of Chemicals and Fertilizers, furnished the following clarification vide O.M. No. 12(10)/2024-Fin.I dt. 31.07.2024:

- i. At the time of allocation of budget of ₹ 15000 crore for Urea Subsidy scheme (Indigenous and Imported) after obtaining cash supplementary (2nd Batch), the amount of Recoveries i.e. ₹ 4930 crore were inadvertently added to ₹ 15000 crore to make it Gross Budget figure. However, the figure of RS. 15,000 crore was already Gross of Recoveries. As a result of it, the amount of Recoveries was got added twice in the figure of ₹15,000 crore and resultantly, the figure of ₹ 19930 (₹ 15000 crore + ₹ 4930 crore) were circulated (*copy enclosed at Annexure I*). Realizing this error later, an amount of ₹ 4436.65 crore was surrendered in Revenue Section (from NBS scheme and other Budget Heads) which was very close to the re-addition of recoveries of ₹ 4930 crore. Despite the surrender of ₹ 4436.65 Crore in the overall Revenue Section, there was an excess expenditure of ₹ 493.61 Crore in the Revenue Section.

Accordingly, if ₹ 4436.65 crore were not surrendered by the Department in Revenue Section (from NBS scheme and other Budget Heads), the overall excess expenditure would have been notionally RS. 4930 crore.

A Technical Supplementary was also obtained to augment the scheme budget under Revenue Section (₹ 363.02 Cr) by showing the matching savings under the Capital Section (363.02 Cr) of the Grant. Accordingly, in terms of Technical Supplementary Rule and other surrenders under Capital Section (amounting to Rs 4 Lakh), a total amount of ₹ 363.06 Cr was Surrendered under Capital Section of the Grant.

Taking into account the total Surrender of ₹ 4799.71 Crore under both Revenue Section (₹ 4436.65 Crore) and Capital Section (₹ 363.06 Crore) of the Grant, there was an overall excess expenditure of ₹ 130.32 Cr at Grant level. The overall excess expenditure is thus 0.08% of the total Grant of the Department.

- ii. As already explained, the excess expenditure was incurred due to the amount of Recoveries i.e. ₹ 4930 crore were inadvertently added to ₹ 15000 crore to make it Gross Budget figure. The Department has taken corrective action by preparing weekly and monthly Budget and expenditure Statements

both in 'Gross' and 'Net of recoveries' to avoid any repetition of such mistakes. Levels of scrutiny of Budget figures have also been increased. No such mistake has occurred during the subsequent Financial Years 2022-23 and 2023-24"

23. The scrutiny of Explanatory Note furnished by the Ministry of Chemicals and Fertilizers revealed a mismatch in the amount of excess expenditure reported in Revenue Section (viz. ₹ 493.3793 crore in Para 4 of Explanatory Note dated 13th June 2024 as against ₹ 493.61 crore in Para 2 (i) of the aforementioned OM. In light of the same, further clarification were sought from the Ministry on the following points:

- i. Please provide the amount of excess for which the Ministry is seeking regularization (in figures and Rupees) as vetted by Audit.
- ii. Please also provide the details of total excess and total savings (in figures and Rupees) used to arrive at the aforementioned amount, as vetted by Audit.

24. The Ministry of Chemicals and Fertilizers vide their O.M. No. 12(4)/2024-Fin.I dt 28.08.2024 furnished the following:

- i. There was an Excess expenditure of ₹ 493.3793 Crore under Revenue (Voted) Section. In the Capital (Voted) Section there were savings of ₹ 363.06 Crore and in overall Grant No. 6, there was Excess expenditure amounting to ₹ 190.3193 Crore. Excess amount of ₹ 493.3793 under Revenue Section may, therefore be regularized for FY 2021-22
- ii. The detailed break-up of total Excess expenditure for FY 2021-22, Section-wise is as below:

(₹ in Crore)

Section	Excess (+) / Savings (-)
Revenue Section (Voted)	+493.3793
Capital Section (Voted)	-363.0600
Overall Grant No. 6	+130.3193

Further, the copies of Appropriation Accounts 2021-22 as approved by Secretary (Fertilizers) and of Explanatory Note (EN) vetted by Audit, showing the excess amount of ₹ 493.3793 Crore under Revenue Section are also attached as Annexure-I and Annexure-II respectively."

25. A copy of Explanatory Note of The Ministry of Chemicals and Fertilizers which has been uploaded on APMS Portal has been attached at Annexure III.

26. In view of the aforementioned issues, a copy of Final Explanatory Note of The Ministry of Chemicals and Fertilizers which has been furnished by the Ministry to the Secretariat has been attached at Annexure IV.

(ii) GRANT NO. 39 – Pensions - Ministry of Finance

27. In the Voted portion of Revenue Section of the Grant, the original provision was ₹56473.12 crore. This was augmented to ₹63605.12 crore by obtaining supplementary grant of ₹7132.00 crore against which expenditure of ₹64347.68 crore was incurred resulting in excess of ₹742.56 crore under various heads.

28. The excess of ₹742.56 crore was the net effect of total excess of ₹1429.24 crore and total savings of ₹686.68 crore under various sub heads of the Grant.

29. Details of the Major/Minor Heads under which excess expenditure occurred under this Grant and reasons therefor are given below:

Sl. No.	Major/Minor Head	Excess Expenditure (₹ in crore)	Contributory Reasons
Major Head – 2071-Pensions and other Retirement Benefits			
1.	2071.01 -Civil (Sub Major Head) 2071.01.101— Superannuation and Retirement Allowances (Minor Head) 2071.01.101.01-Ordinary Pensions	482.68	The above head pertains to Superannuation and Retirement Allowances where in amount has been booked by various Ministries/ Departments and authorized banks. The assessment of actual expenditure could not be made in advance due to multiple agencies booking the expenditure. Excess was due to more expenditure booked by PAOs/ Ministries than anticipated and receipt of more scrolls from the banks.
2.	2071.01 -Civil (Sub Major Head) 2071.01.101— Superannuation and Retirement Allowances (Minor Head) 2071.01.101.04- Ordinary Pensions (AIS)	68.11	The above head pertains to Superannuation and Retirement Allowances (AIS) wherein amount has been booked by various Ministries/Departments. The assessment of actual expenditure could not be made in advance due to multiple agencies booking the expenditure. Excess was due to more expenditure booked and more claims received by/from PAOs/ Ministries than anticipated.
3.	2071.01 - Civil (Sub Major Head) 2071.01.101— Superannuation and Retirement Allowances (Minor Head) 2071.01.101.06-Additional Relief on death/ disability of Government Servants covered by the New Defined	0.56	The above head pertains to Superannuation and Retirement Allowances [Additional Relief on death/disability of Government Servants covered by the New Defined Contribution Pension Scheme (NPS) Extra Ordinary Pensions (Disability

Sl. No.	Major/Minor Head	Excess Expenditure (₹ in crore)	Contributory Reasons
	Contribution Pension Scheme (NPS) Extra Ordinary Pensions (Disability Pension)		Pension)]. The excess was due to more cases received from Ministries/Departments
4.	2071.01-Civil (Sub Major Head) 2071.01.104-Gratuities(Minor Head) 2071.01.104.01-OrdinaryPensions	103.84	The above head pertains to Gratuities where in amount has been booked by various Ministries/Departments and authorised banks. The assessment of actual expenditure could not be made in advance due to multiple agencies booking the expenditure. Further, during the FY2021-22, Vide O.M.No.1(5)/E.V/2020 dated 07.09.2021 payments of arrears of Gratuities to Pensioners was declared by Govt. of India. This also lead to booking of excess expenditure PAOs/Ministries than anticipated and due to receipt of more scrolls from banks as well.
5.	2071.01 - Civil (Sub Major Head) 2071.01.104 - Gratuities (Minor Head) 2071.01.104.07-OrdinaryPensions (NPS)	0.22	The above head pertains to Gratuities (Ordinary Pensions (NPS)) wherein excess was due to more cases received from Ministries/ Departments.
6.	2071.01 - Civil (Sub Major Head) 2071.01.105—Family Pensions (Minor Head) 2071.01.105.02- Family Pensions	364.56	The above head pertains to Family Pensions and the amount under the above head has been booked by the PAOs of various Ministries/Departments and Authorized Banks. Contingencies arising due to death of pensioners due to which expenditure under this head cannot be anticipated. Excess was due to receipt of more scrolls from bank than

Sl. No.	Major/Minor Head	Excess Expenditure (₹ in crore)	Contributory Reasons
			anticipated.
7.	2071.01 - Civil (Sub Major Head) 2071.01.109—Pensions to Employees of State-aided Educational Institutions (Minor Head) 2071.01.109.01-Ordinary Pensions	0.11	The above head pertains to pensions to Employees of State-aided Educational Institutions (Minor Head) wherein excess was due to more cases received from Ministries/ Departments.
8.	2071.01- Civil (Sub Major Head) 2071.01.115—Leave encashment (Minor Head) 2071.01.117.01- Ordinary pensions	120.41	The above head pertains to Leave Encashment where in amount has been booked by various Ministries/Departments. "the assessment of actual expenditure could not be made in advance due to multiple agencies booking the expenditure. Further, during the FY 2021-22, Vide O.M. No.1 (5)/E.V/2020 dated 07.09.2021 payments of arrears of Leave Encashment to Pensioners was declared by the Govt. of India. This also lead to booking of excess expenditure PAOs/ Ministries than anticipated.
9.	2071.01- Civil (Sub Major Head) 2071.01.117—Government Contribution for Defined Contribution Pension (Minor Head) 2071.01.117.01- Government Contribution	79.46	The above head pertains to Government Contribution for Defined Contribution Pension wherein amount has been booked by various Ministries/Departments. The assessment of actual expenditure could not be made in advance due to multiple agencies booking

Sl. No.	Major/Minor Head	Excess Expenditure (₹ in crore)	Contributory Reasons
			the expenditure. Excess was due to more expenditure booked by PAOs/ Ministries than anticipated.
10.	<p>2071.01 - Civil (Sub Major Head)</p> <p>2071.01.120—Pensionary Charges in respect of retirees/deceased employees of Government of NCT Delhi. (Minor Head)</p> <p>2071.01.120.01- Pensionary Charges recoverable from Govt. of NCT Delhi</p>	203.29	The amount under the above head has been booked by Govt. of NCT Delhi. The assessment of actual expenditure could not be made in advance. Excess was due to more expenditure booked by PAOs of Govt. of NCT Delhi than anticipated.
Major Head – 2235- Social Security and Welfare			
11.	<p>2235.60 –Other Social Security and Welfare Programmes (Sub Major Head)</p> <p>2235.60.104-Deposit Linked Insurance Scheme Government Provident Funds (Minor Head)</p> <p>2235.60.104.01-Deposit Linked Insurance Revised Scheme of General Provident Funds</p>	5.42	The Head includes payment under Deposit Linked Insurance Scheme (DLIS) to the retirees/deceased Central Government Employees. The assessment of actual expenditure could not be made accurately in advance due to multiple agencies booking the expenditure and budget has also been kept for contingencies arising for deceased employees. Excess was due to more expenditure booked by PAOs of the Ministries/ Departments than anticipated owing to more contingencies necessitating more payment the head.

Sl. No.	Major/Minor Head	Excess Expenditure (₹ in crore)	Contributory Reasons
12.	2235.60-Other Social Security and Welfare Programmes (Sub Major Head) 2235.60.112-Other Charges payable to the retirees/deceased employees of Government of NCT Delhi 2235.60.112.01- Other Charges recoverable from Government of NCT Delhi.	0.58	The amount under the above head has been booked by Govt. of NCT Delhi. The assessment of actual expenditure could not be made in advance. Excess was due to more expenditure booked by PAOs of Govt. of NCT Delhi than anticipated.
	Total excess:	1429.24	

30. As regards the steps taken to avoid excess expenditure under this Grant, the Ministry of Finance in their Explanatory Note have submitted that:

"Grant 39- Pensions" is a Composite Grant dealing with Pensions and Retirement Benefits and Social Security Welfare. As Pension is an obligatory commitment, budget control in a dispersed payment system is not possible presently. Therefore, timely Budget Revision based on concurrent inputs is the only option available and we are working towards strengthening the same.

The Department is making efforts to prepare budgetary estimates as realistic as possible. The concerned Ministries/Departments are continuously advised to frame realistic estimates forwarded to this office for further consolidation. However, involuntary Retirement cases and in contingencies due to sudden demise of Government servants, it is not possible to forecast the Budget Estimates viz-a-viz expenditure accurately leading to a possibility of variation between the budget provision and expenditure incurred. Since pension and other retirement benefits are a committed liability of the Government and of inevitable nature these payments cannot be restricted.

Necessary instructions have been issued vide letter No. CPAO/Budget/RE 2022-23/BE 2023- 24/115dated 01.09.2022 to all concerned to ensure adherence to allotted BE2022-23 and instruct the respective PAOs to regulate the expenditure within the limits allotted by CPAO under the Pensions Grant to avoid Audit Para/PAC Para.

Electronic information would pave the way of improvement and is being used extensively to control expenditure. In this direction, e-PPO project has already been launched wherein complete PPO booklet will be digitized. PAOs across the country are using e-lekha& PFMS (Public Financial Management System) to

monitor the budget/expenditure related to the pension grant and for overall public financial management.

The excess in the Revenue Section were largely due to multiplicity of spending units and due to the factors and circumstances which were not anticipated and were beyond the control of the Department.”

31. Vetting comments of Audit, on the aforesaid reply of Ministry of Finance are as under:

- 1) “In Revenue Section (Voted) amount under ‘Actual Expenditure and Excess shown should be ₹ 64347,68,55 (thousands) and ₹ 742,56,55 (thousands)’respectively.
- 2) In Revenue Section(Voted) amount under HOAs 2071.01.101.01‘Actual Expenditure and Excess shown should be ₹ 300,84,42.76 (lakh) and ₹ 482,67.76 (lakh) respectively.

Ministry may take adequate steps to ensure that balances under the funds are optimally utilized for the purposes for which they have been earmarked and projection of funds is done in such a manner that savings under various heads could be avoided/ minimized.”

32. In response to the aforementioned Audit remark, the Ministry of Finance in their Final Explanatory Note have submitted that:

“Amount under total ‘Actual Expenditure & Excess shown’ and amount under HOAs 2071.01.101.01 in Revenue Section (Voted) have been rectified in the Explanatory Note.

CPAO has taken several steps to minimize the variation between budget estimates and actual expenditure. CPAO prepares budget estimates by obtaining sub-head wise detailed budget requirements with justification of specific increase/decrease in demand from all the concerned Ministries/Departments. Further, while preparing the budget estimates the trend of expenditure in the past financial years and expenditure details received through e-scrolls from all the CPPCs have also been considered. However, pension and other retirement benefits are a committed liability of the Government and of inevitable nature these payments cannot be restricted.”

(b) APPROPRIATION ACCOUNTS (RAILWAYS)

(i) MISCLASSIFICATION OF EXPENDITURE UNDER EXCESS REGISTERING GRANT/ APPROPRIATION OPERATED BY MINISTRY OF RAILWAYS

33. The scrutiny of Explanatory Note furnished by Ministry of Railways revealed that there was a case of misclassification of expenditure of ₹ 35.11 Lakhs under Major Head 5002 & 5003: Assets- Acquisition, Construction and Replacement, as follows: -

In unit of ₹

Original Appropriation	92,08,00,000
Supplementary Appropriation	606,92,00,000
Total Sanctioned Appropriation	699,00,00,000

Actual Expenditure	753,80,99,395
Excess	54,80,99,395
Misclassification	35,10,754
Excess requiring regularisation	55,16,10,149

34. The Ministry have stated that Charged Appropriation of ₹ 92.08 Crore was obtained at the Budget Estimate Stage for payments towards satisfaction of court decrees, A Supplementary Charged Appropriation of ₹ 606.92 Crore was sanctioned for court decreed payments not anticipated earlier. The actual expenditure of ₹ 753.81 crore, was ₹ 54.81 crore more than the sanctioned provision of ₹699.00 crore. There was a net effect of ₹ 35,10,754/- on account of misclassification of expenditure. The excess thus works out to ₹ 55.16 crore.

35. Audit, in their Report No. 13 of 2023 have noted that Misclassification of expenditure have been a regular feature in the accounts of Ministry of Railways (MoR). Further, the cases of misclassification of expenditure under various Grants/Appropriations operated by MoR have turned out to be a recurring phenomenon.

36. Issue of Misclassification of Railway funds was also taken up in the 4th Report of the Public Accounts Committee of the 17th Lok Sabha. The details of misclassification, along with misclassification involved in excess expenditure since F.Y. 2007-08, as observed in aforesaid Report are as follows:-

Sl No.	Financial Year	No of cases of misclassification of expenditure under excess registering Grants/Appropriations	Amount involved in the Misclassification of expenditure (in unit of ₹)
1.	2007-08	3	1,21,71,617
2.	2008-09	6	23,54,57,552
3.	2009-10	7	30,92,58,533
4.	2010-11	9	29,70,49,848
5.	2011-12	2	1,74,75,509
6.	2012-13	1	5,71,55,478
7.	2013-14	13	15,15,23,021
8.	2014-15	1	6,62,56,108
9.	2015-16	3	20,36,190
10.	2016-17	3	(-)79,59,93,567
11.	2021-22 (year under review)	1	35,10,754

37. Observing certain deviations in figures in C&AG Report No. 13 of 2023 and Explanatory Note of the Ministry of Railways, clarification was sought from the Ministry of Railways on the following points:

1. The Ministry of Railways has sought regularization of ₹ 55.16 Crores, out of which ₹35.10 Lakhs are reported to be due to misclassification of expenditure. However, it has been noticed that the total amount of misclassification as reflected in C&AG Report No. 13 of 2023 (para no. 2.7) is not matching with the total amount of

- misclassification proposed for regularization by Ministry of Railways in their Explanatory Note.
2. Please provide the sub-head-wise (Revenue/Capital/Charged/Voted) break-up of budget allocation, supplementary, re-appropriation, saving, surrender and actual expenditure, where misclassification and excess occurred during the Financial Year 2021-22.
 3. Sub-head-wise reasons for misclassification and excess.
 4. Details of payment made on account of court decrees, viz. date of court decree, final date, if any, fixed by the court for payment, date of payment (interest/penalty given on decree amount) and actual amount paid.
 5. Details of action taken, if any, to address misclassification of expenditure, which has been reported regularly in the Ministry of Railways.
38. The Ministry furnished replies to the aforesaid clarifications vide O.M. No. 2024-BC-PAC-100/19 dt. 13.08.2024 which is as follows:

“After the merger of Railway Budget with Union Budget, the Appropriation Accounts of Capital portion of Grant for all sources and Revenue portion is being prepared as a whole under single demand Grant no. 84 (in 2021-22). For the purpose of Appropriation Accounts, the misclassification of expenditure between Capital and Revenue grants and between Voted and Charged segments and vice versa are considered for inclusion in Appropriation Accounts.

Misclassification of ₹ 35.10 lakh mentioned in Explanatory Note for FY 2021-22 is related to excess under the head "Capital Charged expenditure" related to Major Head 5002 & 5003- Asset-Acquisition, Construction and Replacement, and is part of Table 2.14 "Misclassification of expenditure under Voted and Charged". Since there is excess expenditure under the head 'Charged Capital expenditure', it requires regularization of the expenditure.

In addition to above, C&AG in Report 13 of 2023 has shown misclassification under Table 2.13 to table 2.17 under different heads. Under these heads of report, other items such as misclassification on account of booking to different sources within Capital, different SMHs within Revenue etc. have also been incorporated as misclassification. These amounts are not in excess of the demand and do not require regularization. As a result, there is a difference in the amount of misclassification in CAG report and the explanatory note.

Further, all Zonal Railways/Production Units are advised from time to time to be more vigilant while making the payments and booking of expenditure under allocations. Sub head wise allocation (Revenue/Capital/ Voted/Charged) is available in the Detailed Demands for Grants 2021-22 of Ministry of Railways, a copy of the same is enclosed herewith.

Consequent upon merger of Railway Budget with the Union Budget, the Supplementary Grants have been obtained Major Head wise, Copies of the Supplementary Grants obtained during 2021-22 are also enclosed.”

39. Further clarifications were sought from the Ministry on the issues that remained unaddressed in the previous reply to which reply was received vide O.M. No. 2024-BC-PAC-100/19 dt. 04.09.2024 as follows:

“(i) As explained in the OM dated 13.08.24, the Appropriation Accounts is being prepared as a whole under single Demand no. 84. Excess or Misclassification (Revenue/Capital/Voted/Charged) is audited based on the above.

(ii) The total amount of payment made on account of court decrees and arbitration awards is reflected in the Audited Appropriation Account separately under Capital Voted and Capital Charged at TABLE at Page no. 9 of Appropriation Accounts for the FY 2021-22 Annexure -V. The table at Annexure -VI based on TABLES 2.13 and 2.14 of Report 13 of 2023 shows the analysis of items of misclassification with impact on the Capital Charged portion of Demand.

(iii) All Zonal Railways and Production Units are advised from time to time to be vigilant while making the payments and booking of expenditure and to ensure that the same is done under the correct allocation. Detection and rectification of misclassification is a part of regular review. Instructions are issued from time to time to the Units for taking due care while booking expenditure. Special drive to highlight and training of staffs on the mode of correct booking of expenditure is also advised. The focus is on effective coordination between Executive departments and Accounts to concurrently detect and rectify mistakes before closing of account and strengthening of internal check mechanisms to identify and address misclassifications. All cases of incorrect booking are speedily identified and rectified.”

(c) Surrender of funds despite incurring excess expenditure

40. It has been observed that the Department of Fertilizers and Ministry of Defence have surrendered the funds despite incurring excess expenditure during the year 2021-22, under the Grants/Appropriations operated by them. Details in this regard are given below:

(₹ in crore)

Sl. No.	No. and name of Grant/Appropriation	Excess expenditure incurred	Surrender of funds
1.	6-Deptt of Fertilizers (Revenue-Voted)	493.38	4436.65
2.	18- Ministry of Defence (Civil) (Revenue-Charged)	0.03	0.04

41. Relevant Rules of GFR 2017, quoted at various instances in the Report are as under:

- i. **APPENDIX- 3 [Rule 52] , Point 8 :** Expenditure estimates will be prepared with full accounts classification, i.e., Major/Sub-Major Head, Minor Head, Sub-Head, Detailed Head and Object Head of Account. The correctness of accounts classification must be ensured by the Principal Chief Controller / Chief Controller/ Controller of Accounts in each case. Doubts, if any, may be clarified beforehand in consultation with the Ministry of Finance, Budget Division and Controller General of Accounts. The relevant Grant number and title of Appropriation should also be mentioned to facilitate identification of the provision in Budget Estimates for the current year.
- ii. **Rule 57 (5) :**The Head of the Department and the Accounts Officer shall be jointly responsible for the monthly reconciliation of the figures given in the accounts maintained by the Head of the Department with those appearing in the Accounts Officer's books.
- iii. **Rule 59 : Personal attention of the Head of Department /Controlling Officer required to estimate savings or excesses.** A Head of Department or Controlling Officer shall be in a position to estimate the likelihood of savings or

excesses every month and to regularize them in accordance with the instructions laid down in Rule 62.

- iv. **Rule 60 : Control of expenditure against grant/appropriation and ultimate responsibility of the authority administering it.** The Accounts Officer shall report to the Head of the Department concerned immediately on the first appearance of any disproportionate expenditure, particularly in respect of recurring items of expenditure under any grant or appropriation or a primary unit of appropriation thereof. However, the authority administering a grant/appropriation is ultimately responsible for the control of expenditure against the grant/appropriation and not the Accounts Officer.
- v. **Rule 88 : Appropriation Accounts.** Appropriation Accounts of Central Ministries (other than Ministry of Railways) and of Central Civil Departments (excluding Department of Posts and Defence Services) shall be prepared by the Principal Accounts Officers of the respective Ministries and Departments (under the guidance and supervision of the Controller General of Accounts) and signed by their respective Chief Accounting Authorities i.e., the Secretaries in the concerned Ministries or Departments. Union Government Appropriation Accounts (Civil) required to be submitted to Parliament, shall be prepared annually by the Controller General of Accounts by consolidating the aforesaid Appropriation Accounts. Appropriation Accounts pertaining to Departments of Posts and Defence Services shall be prepared and signed by the Secretaries to the Government of India in the Department of Posts and Ministry of Defence respectively and that of Ministry of Railways by the Chairman, Railway Board.
- vi. **Rule 62 (3) Surrender of savings :** Rush of expenditure, particularly in the closing months of the Financial year, shall be regarded as a breach of financial propriety and shall be avoided. The Financial Advisers of the Ministries/Departments shall ensure adherence to the stipulated Monthly Expenditure Plan and the guidelines issued in this regard by the Budget Division, Department of Economic Affairs, from time to time.

42. Relevant Rules of Indian Railways Financial Code, Volume -I, incorporated in the Report are as under:

“Rule 922:Rectification of mistakes in Accounts disclosed by Audit -If the audit scrutiny discloses any inaccuracy in the accounts compiled by the Accounts Officer the following procedure, which is equally applicable to mistakes detected in-internal check, should be adopted:-

- 1) If the accounts of the year have not been finally closed, the mistake should be rectified through the accounts of the month in hand.
- 2) Mistakes and misclassifications noticed after the March accounts have been closed should be rectified before the Capital & Revenue Accounts and Finance Accounts are prepared and intimated to the Railway Board by the first week of August either through a revised account or through corrections to accounts already submitted.
- 3) Mistakes and misclassifications noticed after the submission of the Capital & Revenue and Finance Accounts should be dealt with in accordance with the following rules :-
 - a) No correction need be made, if the item properly belongs to one revenue or service head but is wrongly classified under another, a

suitable note against the original entry being sufficient. If, however, the error affects the revenue or expenditure of another railway, or a branch line company or another Government Department or a capital head outside the Revenue Account or a debt or remittance head, it must be corrected.

- b) If the corrections, or transfers affect capital major heads, unless they affect the accounts of different Governments or represent readjustment of less important misclassifications of a previous year, they should usually be affected by altering the progressive figure of capital outlay without financial adjustment i.e. , without passing the debit and credit entries through the accounts of the year's financial transactions. This would prevent unnecessary inflation of the current year's accounts and the voting of grants which the inclusion of the correcting entries in the current accounts would otherwise involve.
- c) If the error affects a debt or remittance head, the procedure should be as follows:
 - i. Item taken to one debt or remittance head instead of another :- The correction should be made by transferring it from the one to the other. Such corrections affecting the heads for which grants are obtained should be made as plus credit or minus credit under the heads concerned, instead of as minus debit or plus debit.
 - ii. Item credited to a debt or remittance head instead of a revenue head, or debited to a debt or remittance head instead of to a service head. The correction should be made by transferring it to the head under which it should originally appear.
 - iii. Item credited or debited to a revenue head instead of to a debt or remittance head- The correction should be made by minus crediting or minus debiting the revenue head and crediting or debiting the proper head.
- 4) If the rectification of a mistake would lead to an excess over a grant or grants voted by the Parliament or an appropriation sanctioned by the President or to a considerable change in the dividend payable during the year to general revenues, the orders of the Member Finance Railway Board must be first obtained."

PART-II

OBSERVATIONS/RECOMMENDATIONS OF THE COMMITTEE

Introductory

The Committee are aware of the fact that under Article 151 of the Constitution, the Union Government submits its Appropriation Accounts to Parliament. If expenditures exceed the approved amounts for voted grants or charged appropriations in a financial year, this excess is disclosed in the accounts and categorized into revenue and capital sections. This allows Parliament to either regularize the excess or take other appropriate action.

To facilitate regularization, Ministries/Departments must furnish the Public Accounts Committee with Explanatory Notes detailing the reasons for the excess expenditure, along with the relevant Appropriation Accounts. The Committee then review these notes and circumstances, and prepares a report for Parliament. This report may include recommendation(s) for regularization of the excesses, along with any observations or additional recommendation(s).

The subsequent paragraphs will detail the Committee's examination of the Explanatory Notes, as well as their observations and recommendations concerning excess expenditures, as reflected in Audit Reports 21 and 13 of 2023, and other relevant information from the Ministries.

1. The Committee's examination of the four Appropriation Accounts of the Union Government relating to Civil Sector, Defence Services, Postal Services and Railways for the Financial year 2021-22 reveals that a total excess expenditure of ₹ 1291.14 crore was incurred by four Ministries/Departments of Union Government, viz Ministry of Chemicals and Fertilizers (₹493.38 crore under Grant No.-6), Ministry of Defence (₹3.17 Lakh under Grant No.-18- Ministry of Defence (Civil), Ministry of Finance (₹742.56 crore under Grant No.-39-Pensions) and Ministry of Railways (₹55.16 crore under Grant No.-84) in excess of the provision sanctioned under four Grants/Appropriations during the year 2021-22. The bulk of excess expenditure i.e. ₹742.56 crore under Grant No.-39 of Appropriation Accounts (Civil) operated by the Department of

Revenue and ₹493.38 crore under Grant No.-6 operated by Ministry of Chemicals and Fertilizers, which was recorded, account for 57.51 per cent and 38.21 per cent respectively of the total excess expenditure incurred during the year under review *i.e.* 2021-22. The Committee are, however, pleased to note that the Department of Defence Services and Department of Posts had not incurred excess expenditure under the Grants/Appropriations operated by them during the year under review *i.e.* 2021-22. The Committee also note that while Department of Posts continues to maintain their expenditure very well for the last five years *i.e.* 2017-18, 2018-19, 2019-20 , 2020-21 and 2021-22, Department of Defence Services has also been performing well for the last two years *i.e.* 2020-21 and 2021-22 . However, while the Ministry of Railways had incurred excess to the tune of ₹ 55.16 crore under Grant No.- 84 - Railways, the Ministry of Defence had incurred excess expenditure to the minimum extent under Grant (₹3.17 lakh under Grant No.-18- Ministry of Defence (Civil)).

2. The Ministries and Departments have attributed the excess expenditure to several factors. The Committee believe that overspending should not continue in the age of e-governance and e-payment systems, where Ministries have access to real-time tools to monitor expenditure. Whereas on one hand, the Committee note the positive results in containing excess expenditure under the Grants/Appropriations for Defence Services and Postal Services during FY 2021-22, on the other hand, they also note that Grant No. 6 (Department of Fertilizers - Revenue Voted) and Grant No. 39 (Pensions - Revenue Voted) together accounted for a significant portion of the excess expenditure in the Civil sector during the year. The excess expenditure clearly shows that the Ministries / Departments have failed to adhere scrupulously to the provisions of General Financial Rules 2017. However the Committee opine that a consistently weak internal expenditure control mechanism against voted grants and charged appropriations, lack of realistic budget estimation at RE and BE Stage and the failure to seek Supplementary Demands are the primary reasons for excess expenditure. The Committee, therefore, stress the need for strict scrutiny of budget proposals, continuous monitoring of pace of expenditure and strict adherence to the General Financial Rules 2017 to come out of occurrence of excess expenditure and consequent procedural rigmarole

of regularizing excess expenditure at a later stage. The Committee would like to be apprised of the steps implemented by the Ministries/Department, which incurred excess expenditure during Financial Year 2021-22 to control expenditure against available funds.

Excess expenditure despite obtaining Supplementary Grants

3. The Committee are compelled to highlight that in all four cases of excess expenditure, the Ministries and Departments involved had already obtained substantial Supplementary Grants. Notwithstanding the fact, excess expenditures still occurred, with the percentage of overspending ranging from 0.67% in Grant No. 6 (Department of Fertilizers) to a significant 10.41% in Grant No. 39 (Pensions). Upon reviewing the grant-wise details, the Committee observe that the Department of Fertilizers (Grant No. 6) was allocated ₹73,695.16 crore in Supplementary Grants, still fell short by ₹493.38 crore. The Ministry of Finance (Grant No. 39 - Pensions) received a Supplementary Grant of ₹7,132.00 crore, yet exceeded this by ₹742.56 crore. The Ministry of Defence (Civil) under Grant No. 18 received ₹1.52 crore in Supplementary Grants but overspent by ₹3.17 lakh. The Ministry of Railways (Grant No. 84) obtained a supplementary of ₹606.92 crore, an excess of ₹55.16 crore was still observed. Particularly concerning for the Committee is the overspending by Railways, a remarkably high figure, which amounts to 7.89% of the total grant.

In the past, the Committee had repeatedly pointed out to these Ministries and Departments, about overspending despite receiving Supplementary Grants, but they have found that the trend still continues. This, the Committee feel, indicates a persistent failure in financial planning and control. Despite various recommendations from the Public Accounts Committee (PAC) in the past and guidelines issued by the Ministry of Finance (Department of Economic Affairs), the problem remains unresolved.

The Committee are, therefore, compelled to conclude that not only are the initial Budget Estimates insufficient, but even the projections made at the Supplementary Demands stage are unrealistic. While acknowledging the limitations posed to financial planning by COVID-19 pandemic during the financial year 2021-22, the Committee feel that in a normal financial year, given

that Ministries and Departments have the opportunity to request for Supplementary Grants in three batches in a financial year, there is no valid reason for excess expenditure to continue. In their 53rd Report (17th Lok Sabha), the PAC emphasized the need for the Ministry of Finance (Department of Economic Affairs) to develop an effective mechanism for all Ministries and Departments to strengthen financial controls and prevent overspending after receiving Supplementary Grants. The Committee, therefore, recommends that strict instructions be issued to the Budget Controlling Authorities of the defaulting Ministries/Departments, requiring them to strictly adhere to financial discipline. The Committee would also like to be apprised of the updated action taken and the outcome thereof, by the Ministry of Finance (Department of Economic Affairs) in this regard.

Recurring Excess Expenditure

4. The scrutiny of the Appropriation Accounts for the fiscal year 2021-22 reveals persistent issues of excess expenditure across several key Ministries, despite large Supplementary Grants being obtained. The Department of Fertilizers, Ministry of Defence (Civil), Ministry of Finance (Pensions), and Railways all incurred excess expenditures, ranging from 0.67% to a significant 10.41%, even after receiving substantial additional funds. This reflects a deeper issue in the budgeting and fiscal management processes within these Ministries and Departments.

Another notable concern for the Committee is the recurring nature of excess expenditure, which has been observed for over a decade, indicating systemic inefficiencies in budget forecasting and financial discipline. This violation of Article 114(3) of the Constitution, along with Rule 57(3) of the General Financial Rules (GFR), highlight a disregard for constitutional and financial provisions which mandate that no money be withdrawn from the Consolidated Fund of India without proper Parliamentary approval. The scrutiny of excess expenditure incurred by various Ministries/Departments during the last ten years reveals that in Civil Sector, the excess expenditure which was reduced to a considerable extent during the year 2018-19 (₹0.22 crore under one Grant) had again witnessed an upward trend during the year

2019-20 (₹31936.47 crore under two Grants) and 2020-21 (₹118651.04 crore under three Grants) before coming to ₹ 1235.98 crore in the year 2021-22. Further, in regard to Appropriation Accounts – Defence Services, it has been revealed that during the last ten years period, there were only three years (i.e. 2015-16, 2020-21 and 2021-22), when there was no excess expenditure incurred under the Grants/Appropriations operated by Ministry of Defence. In case of Appropriation accounts – Postal Services, the Committee acknowledge that in the last ten years, no excess expenditure was incurred during seven years 2013-14, 2015-16 and 2017-18 to 2021-22. Further, in regard to excess expenditure incurred by the Ministry of Railways during the last ten years, the Committee find that during three years i.e. 2017-18, 2019-20 and 2020-21, no excess expenditure was incurred under the Grant operated by them until 2020-21. However, in 2021-22, it rose to ₹ 55.16 crore. Thus, the scrutiny of trend of expenditure during the last ten years is indicative of the fact that a lot of efforts have been made by the Ministry of Defence as well as the Department of Posts to contain their expenditure within the limit of the sanctioned budget. However, introspection needs to be made by the Ministry of Railways to ascertain what led to upsurge in the excess expenditure after two consecutive years of display of financial prudence during the years 2019-20 and 2020-21. On the other hand, the recurring phenomenon of incurring excess expenditure in the case of Grants/Appropriations operated by Civil Ministries/Departments seems to imply that sincere/effective measures remain to be taken by the Civil Ministries/Departments to make their budgetary mechanism strong enough to avoid excess expenditure under the Grants/Appropriations operated by them. The Committee would, therefore, desire the Civil Ministries/Departments and Railways to once again analyze in depth the reasons for the recurring phenomenon of excess expenditure with a view to initiating timely remedial measures, whereby budget as well as revised estimates are prepared more precisely and the actual expenditure remains within the domain of funds authorized by Parliament.

Excess expenditure incurred under Grant No.-6

5. The Committee note that the Ministry of Chemicals and Fertilizers incurred an excess expenditure of ₹493.38 crore under the Revenue-Voted section of Grant No. 6 for the Department of Fertilizers. The excess expenditure occurred despite the Ministry receiving a Supplementary Grant of ₹73695.16 crore on three occasions (July 2021, December 2021, and March 2022). According to the Ministry's explanatory note, the excess expenditure resulted from inadvertently adding the amount of recoveries (₹4930 crore) twice after obtaining a cash supplementary (2nd Batch) for the Urea Subsidy scheme (both Indigenous and Imported). Upon realizing this error, the Ministry surrendered ₹4436.65 crore in the Revenue Section (from the NBS scheme and other Budget Heads). Despite this surrender, there was still an excess expenditure of ₹493.38 crore.

The Audit has observed that the reasons provided by the Ministry are inadequate. Despite obtaining supplementary grants in three batches (₹73695.16 crore), the Ministry did not secure sufficient additional funds to avoid excess expenditure of ₹493.38 crore. The Committee find the Ministry's explanation for the double-counting of recoveries and consequent surrender of funds insufficient and concerning. The Committee would like to emphasize here that public money must be managed with care, and accurate estimates of expenditure and constant monitoring of expenditure are essential for effective utilization of available funds. Observing that as per Rule 59 of GFR 2017, estimates of savings and excess are to be prepared every month by the Head of Department or Controlling Officer, the Committee wonder if negligence on the part of the Ministry can occur while preparing the estimates. They would like the Ministry to ascertain the reasons for the same. The Committee would reiterate here that while obtaining the Supplementary Grant, the actual requirement needs to be assessed realistically, so that the amount neither exceeds nor falls short of the actual requirement and thereby necessitate excess expenditure/savings. The Committee have been informed by the

Ministry that to avoid excess expenditure under this Grant, IFMS system and PFMS systems are being used in the Department to effectively monitor the expenditure on a real time basis so that the excess could be avoided. The Committee therefore, urge that with a view to check excess expenditure, preparation of quarterly estimates or review of monthly estimates every quarter may be strictly ensured by the Ministry with the help of IFMS system and PFMS systems. Additionally, the Committee urge the Ministry to assess the lapses in internal control mechanisms in the budgeting process and if needed, devise internal digital systems/mechanism to supplement IFMS and PFMS to monitor expenditure in real time. The action taken in this regard by the Ministry and outcome thereof should be reported to the Committee within six months.

6. Further, as the Ministry has indicated in its Explanatory note, the excess expenditure was due to amount of Recoveries (i.e. ₹ 4930 crore) being inadvertently added twice after obtaining cash supplementary (2nd Batch) at the time of allocation of budget for Urea Subsidy scheme, the Committee also insist on training the officers/staff in Budgetary Matters and GFR on a regular basis to ensure proper categorization and reporting of expenditure and prevent occurrence of such lapses in future.

7. The Committee would also like to highlight the fact that the Ministry has consistently failed to provide a break-up of excess expenditure even after revising their explanatory note twice. Mismatch in amount that has to be regularized has been observed not only in the two explanatory notes furnished by the Ministry, but also in between the Final explanatory notes sent to PAC Secretariat and uploaded on APMS Portal. The Committee take a serious note of the callousness of the Ministry's reply and would hereby advise the Ministry to exercise caution in preparation of documents and furnishing the same to the Committee.

Excess expenditure incurred under Grant No.- 39

8. The Committee observe that the Ministry of Finance incurred an excess expenditure of ₹742.56 crore under the Revenue-Voted section of Grant No. 39.

This excess has resulted from a total savings of ₹686.68 crore and excesses amounting to ₹1429.24 crore across various Sub-Heads. It is also noted by the Committee that this excess expenditure was incurred despite the Ministry having obtained a Supplementary Grant of ₹7132.00 crore.

In its explanatory note, the Ministry of Finance attributed the excess expenditure to the composite nature of Grant No. 39, which deals with Pensions, Retirement Benefits, in addition to the Social Security Welfare, stating that pension payments, being obligatory, are difficult to be controlled in a dispersed payment system. The Ministry acknowledged that timely Budget Revisions based on real-time inputs are essential and assured that they are actively working to enhance this process. They further attributed the excess to multiple spending units and unforeseen circumstances beyond their control.

The Ministry have explained to the Committee that they have instructed all concerned departments to frame realistic budget estimates and issued guidelines to ensure adherence to the Budget Estimates (BE) for 2022-23. They have also directed the Pay and Accounts Offices (PAOs) to regulate expenditures within the limits set by the Central Pension Accounting Office (CPAO) under the Pensions Grant, to avoid audit objections.

However, the Committee find it surprising that the Ministry while on one hand state that they have a dispersed payment system, have on the other hand also stated that they have implemented the BHAVISHYA online portal for pension processing and generating e-PPO and introduced the Public Financial Management System (PFMS) to monitor pension-related expenditures.

While the Committee acknowledge the steps taken by the Ministry, they express concern that, despite the availability of real-time digital information through these mechanisms, excess expenditure of a substantial sum persists. The Committee are of the view that lacunae in internal control mechanisms remain, requiring further innovation and digital solutions. The Ministry is, therefore, urged to conduct a comprehensive review of its procedure of

budgetary estimation of pension and imposing cuts by Central Pension Accounting Office on the Budget Estimate (BE) and Revised Estimate (RE) prepared by respective Pay & Accounts Officer (PAOs). They should also consider additional tools to address these shortcomings. Further, the Committee would like to see the active role of the Central Pension Accounting Office (CPAO) in ensuring realistic budgeting and more accurate supplementary grant requests. The Committee urge the Ministry to provide details on any continued challenges with the dispersed payment system and the measures underway to address these issues.

Surrender of Funds despite excess expenditure

9. The Committee observe with concern that the Ministry of Chemicals and Fertilizers (Department of Fertilizers) under the Revenue-Voted Section of Grant No. 6, and the Ministry of Defence (Civil) under the Revenue-Charged Section of Grant No. 18, surrendered funds during the financial year 2021-22 despite having incurred excess expenditure. Specifically, the Department of Fertilizers surrendered ₹4436.65 crore, while the Ministry of Defence (Civil) surrendered an amount of ₹4 lakh despite an excess expenditure of ₹ 3.17 lakh.

The Committee deplore the persistent practice of surrendering funds after availing supplementary grants and the incurrence of excess expenditure. In their 53rd Report (17th Lok Sabha), the Committee had previously urged concerned Ministries/Departments to revamp their expenditure review mechanisms to prevent such occurrences. They find it regrettable that the Ministries/Departments have not taken adequate measures in response to the Committee's recommendations.

The Committee note that the surrender of funds reflects unutilized amounts that could have been deployed for Government's welfare activities. Therefore, they reiterate that proper expenditure control and more accurate estimation of liabilities are essential to avoid this issue. The Committee believe

that monthly and quarterly reviews of excess expenditure and savings will improve the accuracy of budget estimates.

Further, the Committee would like to highlight Rule 57(5) of GFR 2017, which mandates that the Heads of the Department and the Accounts Officers are jointly responsible for monthly reconciliation of accounts. To facilitate compliance, the Committee recommend the creation of an online portal by the Ministry of Finance for Grant-wise monthly reconciliation, integrated with the Public Financial Management System (PFMS), to ensure strict adherence to Rule 57(5) for timely reconciliation of payments with funds authorized by Parliament.

Misclassification of Funds in Ministry of Railways

10. The Committee note, based on the Explanatory Note furnished by the Ministry of Railways (MoR), that an excess expenditure of ₹55.16 crore was sought for regularization, of which ₹35.11 lakh was misclassified. Despite repeated observation from the Public Accounts Committee (PAC) on misclassification, the Ministry has failed to prevent such occurrences or hold responsible officers accountable. Earlier, in their 4th Report (17th Lok Sabha), the Committee had highlighted 48 cases of misclassification from 2007-08 to 2016-17. It is disheartening to note that the issue of persistent misclassification has resurfaced in 2021-22 after a four-year hiatus.

The Committee are concerned that despite repeated exhortations, the Ministry of Railways has neither rectified misclassification practices nor revamped its accounting system as recommended. The Committee note that Appendix-3 of Rule 52 of GFR 2017 places responsibility for ensuring the correctness of account classification on the Principal Chief Controller/Chief Controller/Controller of Accounts. Further, Rule 60 of GFR 2017 mandates that the Accounts Officer must immediately report disproportionate expenditure, while ultimate responsibility for controlling expenditure against a grant lies with the administering authority, not the Accounts Officer. Rule 88 of GFR

2017 also specifies that Appropriation Accounts for the Ministry of Railways must be prepared and signed by the Chairman of the Railway Board.

Despite detailed procedures in GFR 2017 and the implementation of computerized applications to strengthen accounting activities, the issue of misclassification remains unresolved. The Committee take serious note of this recurring problem and recommend that the Ministry of Railways furnish an update on the steps taken to address the issue of misclassification and outcome thereof, along with information on any responsibility fixed or actions taken against concerned officers.

11. The Committee further suggest that the Ministry of Railways conduct a scientific analysis to understand the causes of misclassification and identify heads where it has frequently occurred. Officers responsible for these heads should be trained in GFR and sensitized to the risks of misclassification. Given the extensive reach of the Ministry's field offices, the Committee recommend that regular training on GFR be conducted through online seminars and e-learning platforms.

12. Finally, the Committee observe that Railway Budget has been merged with Union Budget. To facilitate effective monitoring of expenditure and avoid excesses, the Committee recommend the implementation of PFMS in the Ministry of Railways and urge the Ministry to adopt PFMS as Centralised Transaction System & Platform, providing end-to-end financial management services to all stake holders.

Issue of court decreed payments in Ministry of Railways

13. The Committee note that, as per the explanatory statement provided by the Ministry of Railways, unanticipated court-decreed payments were a significant reason for the excess expenditure incurred by the Ministry. The Ministry had originally secured a Charged Appropriation of ₹92.08 crore at the Budget Estimate stage to cover payments towards the satisfaction of court decrees. However, a Supplementary Charged Appropriation of ₹606.92 crore was later sanctioned to meet additional court-ordered payments that were not

foreseen at the time of Budget Estimate. The actual expenditure amounted to ₹753.81 crore, exceeding the sanctioned provision of ₹699.00 crore by ₹54.81 crore.

The Committee would like to draw attention to Rule 62(3) of the General Financial Rules (GFR) 2017, which stipulates that any rush of expenditure, especially in the closing months of the financial year, shall be deemed a breach of financial propriety and must be avoided. Financial Advisers of Ministries and Departments are responsible for ensuring adherence to the Monthly Expenditure Plan and follow the guidelines issued by the Budget Division, Department of Economic Affairs. The Committee observe that failure to strictly adhere to the Monthly Expenditure Plan can result in a rush of expenditure towards the end of the financial year, which, under Rule 62(3) of GFR 2017, constitutes a violation of financial propriety.

Moreover, the Committee express concern that delays in the disbursement of court-decreed payments may harm the reputation of the Ministry of Railways and could foster distress and distrust among the public. Therefore, the Committee stress the importance of ensuring that payments related to court decrees are made promptly. If additional funds are required, they should be sought in a supplementary grant as soon as the need arises, rather than deferring the payment until the end of the financial year, which could result in excess expenditure.

14. The Committee are concerned with issues related to court-decreed payments and misclassification of funds observed in the Ministry of Railways. The Committee had requested details from the Ministry concerning court decrees, including the decree date, the final payment date set by the court (if any), the payment date, any interest or penalties, and the actual amount paid. Additionally, the Committee sought information on actions taken by them to address the recurring misclassification of expenditure reported in the Ministry.

The Committee are surprised to note that while the Ministry has information on the total amounts paid, it could not furnish details of court-

decreed payments and arbitrations. Given that Railways is a major organization affecting every citizen, the Committee opine that it is crucial that court-decreed payments are processed promptly. The Committee believe that it is crucial for the Ministry of Railways to seriously monitor payments related to court decrees and arbitrations. Therefore, the Committee recommend that the Ministry of Railways maintain detailed records of court-decreed payments, including decree details, payment deadlines, actual payment dates, and amounts. This information should be promptly furnished to the Office of the Controller General of Accounts (CGA) to facilitate effective monitoring of these payments.

15. The Committee hope that the Ministries will monitor excess expenditure with the intent to minimize it and in time eliminate the same. Therefore, subject to the observations/recommendations made in the preceding paragraphs, the Committee recommend that excess expenditure referred to in Para 11 of Part-I of this Report be regularized in the manner prescribed in Article 115 (1) (b) of the Constitution of India.

NEW DELHI
03 December, 2024
12 Agrahayana, 1946 (Saka)

K. C. VENUGOPAL
Chairperson,
Public Accounts Committee

MINUTES OF THE EIGHTH SITTING OF THE COMMITTEE ON PUBLIC ACCOUNTS (2024-25) HELD ON 03rd DECEMBER 2024

The Committee on Public Accounts sat on Tuesday, the 3rd of December 2024, from 1600 hrs to 1745 hrs in Committee Room '3', Block A, First Floor, Extension to Parliament House Annexe, New Delhi.

PRESENT

Shri K.C. Venugopal

-

Chairperson

Members

LOK SABHA

2. Dr. Nishikant Dubey
3. Shri Jagdambika Pal
4. Shri Jai Parkash
5. Shri Ravi Shankar Prasad
6. Shri C. M. Ramesh
7. Shri Magunta Sreenivasulu Reddy
8. Smt. Aparajita Sarangi
9. Dr. Amar Singh
10. Shri Tejasvi Surya
11. Shri Anurag Singh Thakur
12. Shri Balashowry Vallabhaneni
13. Shri Dharmendra Yadav

RAJYA SABHA

14. Shri Shaktisinh Gohil
15. Dr. K. Laxman
16. Shri Praful Patel
17. Shri Sukhendu Sekhar Ray
18. Shri Tiruchi Siva
19. Shri Sudhanshu Trivedi

LOK SABHA SECRETARIAT

- | | | | |
|----|-------------------------|---|------------------|
| 1. | Dr. Sanjeev Sharma | - | Joint Secretary |
| 2. | Shri Muraleedharan. P | - | Director |
| 3. | Shri Alok Mani Tripathi | - | Deputy Secretary |
| 4. | Shri Pankaj Sharma | - | Deputy Secretary |
| 5. | Shri Atul Bhawe | - | Deputy Secretary |

REPRESENTATIVES OF THE OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

1. Sh. Rebecca Mathai - Dy. CAG
2. Ms. Atreyee Das - Dy. CAG
3. Ms. Smita S. Chaudhari - Dy. CAG
4. Sh. Samar Kant Thakur - Director General

REPRESENTATIVES OF THE MINISTRY OF XXXXXX

1. XXXXXXXXXXXX
2. XXXXXXXXXXXX
3. XXXXXXXXXXXX
4. XXXXXXXXXXXX
5. XXXXXXXXXXXX
6. XXXXXXXXXXXX
7. XXXXXXXXXXXX
8. XXXXXXXXXXXX
9. XXXXXXXXXXXX

PART A

XXXXX XXXXX XXXXX XXXXX XXXXX XXXXX

PART B

Thereafter, Hon'ble Chairperson stated that the following six draft reports may be taken up for consideration and adoption :-

- a) Excesses over Voted Grants and Charged Appropriations (2021-22);
- b) XXXXX XXXXX”;
- c) XXXXX XXXXX”;
- d) XXXXX XXXXX”;
- e) XXXXX XXXXX”; and
- f) XXXXX XXXXX”.

After some deliberations, the Committee adopted the aforesaid Draft Reports without any modifications and authorised the Chairperson to finalise the Reports in the light of factual verification done by the Audit.

The Committee then adjourned.

A copy of the transcript of audio recording of the proceedings of the sitting has been kept on record.

ANNEXURE – I

Subject: Explanatory Note on Saving/Excess of ₹ 100.00 Crore or more occurred under Grant No.6-Department of Fertilizers for the year ended on 31.3.2022-reg.

Revenue Section (Voted)

(₹ in thousands)

Original Grant	835967700
Supplementary Grant	736951600
Total Provision	1572919300
Actual Expenditure	1577853093
Excess	4933793

From the above table it may be seen that the total provision under Revenue Section (Voted) under the Demand No. 6- Department of Fertilizers for the year 2021-22 was ₹ 835967700 thousand. During the year 2020-21, an additional amount of ₹ 100 thousand in the 1st batch of supplementary, ₹ 584300000 thousand in the 2nd Supplementary Grant and ₹ 152651500 thousand were allocated in the 3rd Supplementary Grants under the Revenue Section. Thus, total allocation for the Department was ₹ 1572919300 thousand. Against that allocation, an actual expenditure of ₹ 1577853093 thousand was incurred, resulting in excess expenditure of ₹ 4933793 thousand in the Revenue Section.

2. The Budget Sub Heads in the Revenue Section where the substantial excess occurred and reasons thereof are explained below:

MAJOR HEAD : 2852**(i) Urea subsidy Scheme****Sub-Head: 2852.03.101.06** (General component subsidy)

(₹ in thousands)

Original Grant	54886,60,87
Supplementary	26453,81,43
Total grant	81340,42,30
Actual Expenditure	91655,66,92
Excess	10315,24,62

Sub-Head: 2852.03.789.06 (Special Component for Scheduled Castes)

(₹ in thousands)

Original Grant	5211,26,13
Supplementary	2510,63,23
Total grant	7721,89,36
Actual Expenditure	8712,52,00
Excess	990,62,64

Sub-Head: 2852.03.796.06 Tribal Sub-plan

(₹ in thousands)

Original Grant	2699,81,00
Supplementary	1300,69,34
Total grant	4000,50,34
Actual Expenditure	4513,17,51
Excess	513,21,17

The excess expenditure under the above 3 Sub-heads of the scheme of Urea subsidy was ₹ 49299996 Thousands.

3. The Budget Sub-Heads in the Revenue Section where the substantial funds were surrendered and reasons thereof are explained below:

(ii) NBS Subsidy Scheme

Sub-Head: 2401.00.105.26 (General component subsidy)

(₹ in thousands)

Original Grant	18145,98,80
Supplementary	37957,82,88
Total grant	56103,81,68
Actual Expenditure	46120,95,01
Surrender+Savings	9982,86,67

Sub-Head: 2401.00.789.44 (Special Component for Scheduled Castes)

(₹ in thousands)

Original Grant	1723,24,60
Supplementary	3604,69,08
Total grant	5327,93,68
Actual Expenditure	4379,90,71
Surrender+Savings	948,02,97

Sub-Head: 2401.00.796.46 (Tribal Sub-plan)

(₹ in thousands)

Original Grant	892,76,60
Supplementary	1867,49,04
Total grant	2760,25,64
Actual Expenditure	2269,10,85
Surrender+Savings	491,14,79

The surrender under the above mentioned Sub-Heads of the NBS Scheme for P&K Fertilizer subsidy was ₹ 44320443 Thousands.

Reasons for Excess/Surrender:

4. At the time of allocation of budget of ₹ 15000 crore for Urea Subsidy scheme (Indigenous and Imported) after obtaining cash supplementary (2nd Batch), the amount of Recoveries i.e. ₹

4930 crore were inadvertently added to ₹ 15000 crore to make it Gross Budget figure. However, the figure of ₹ 15,000 crore was already Gross of Recoveries. As a result of it, the amount of Recoveries was got added twice in the figure of ₹15,000 crore and resultantly, the figure of ₹ 19930 (₹ 15000 crore + ₹ 4930 crore) were circulated (*copy enclosed at Annexure I*). Realizing this error later, an amount of ₹ 4436.65 crore were surrendered in Revenue Section (from NBS scheme and other Budget Heads) which was very close to the re-addition of recoveries of ₹ 4930 crore. Despite the surrender of ₹ 4436.65 Crore in the overall Revenue Section, there was an excess expenditure of ₹ 493.61 Crore in the Revenue Section.

5. A Technical Supplementary was also obtained to augment the scheme budget under Revenue Section (₹ 363.02 Cr) by showing the matching savings under the Capital Section (363.02 Cr) of the Grant. Accordingly, in terms of Technical Supplementary Rule and other surrenders under Capital Section (amounting to 4 Lakh ₹), a total amount of ₹ 363.06 Cr was Surrendered under Capital Section of the Grant.

6. Taking into account the total Surrender of ₹ 4799.71 Crore under both Revenue Section (₹ 4436.65 Crore) and Capital Section (₹ 363.06 Crore) of the Grant, there was an overall excess expenditure of ₹ 130.32 Cr at Grant level. The overall excess expenditure is thus 0.08% of the total Grant of the Department.

7. The approval of Parliament for regularization of excess Grant in the Revenue Section and in the Grant will be obtained through 'Excess demand for Grants' under Article 115 of the Constitution after receiving the recommendations of the Public Accounts Committee (PAC).

HEADWISE APPROPRIATION ACCOUNTS FOR 2021-2022.
GRANT NO. - 6 DEPARTMENT OF FERTILIZERS

Head (1)	Total grant (2)	Actual expenditure (3)	Excess Saving (4)	+	-
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Revenue Section

(In thousands of rupees)

Major Head "3451"

Secretariat-Economic Service

3451.00.090-Secretariat

3451.00.090.33-Department of Fertilizers

O. 37,08,00

R. - 3,68,44

33,39,56

33,43,93

+4,37

Major Head "2401"

Crop Husbandry

2401.00.105-Manures and Fertilizers

2401.00.105.26-Nutrient Based Subsidy Policy

O. 18145,98,80

S. 37957,82,88

R. -9982,85,79

46120,95,89

46120,95,01

-88

Col.1: Saving was due to receipt of less bills, owing to decreased sale in the last quarter and receipt of incomplete claims from the companies.

2401.00.789-Special Component Plan for Schedule Castes

2401.00.789.44- Nutrient Based Subsidy Policy

O. 1723,24,60

S. 3604,69,08

R. -948,02,89

4379,90,79

4379,90,71

-8

Col.1: Saving was due to receipt of less bills, owing to decreased sale in the last quarter and receipt of incomplete claims from the companies.

2401.00.796-Tribal Area Sub-Plan

2401.00.796.46- Nutrient Based Subsidy Policy

O. 892,76,60

S. 1867,49,04

R. -491,14,74

2269,10,90

2269,10,85

-5

Col.1: Saving was due to receipt of less bills, owing to decreased sale in the last quarter and receipt of incomplete claims from the companies.

Total "2401"

O. 20762,00,00

S. 43430,01,00

R. -11422,03,42

52769,97,58

52769,96,57

-1,01

(1)	(2)	(3)	(4)
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Major Head "2852"

Industries

2852.03- Fertilizer Industries

2852.03.004-Research & Development

2852.03.004.05-S & T Programme of Department

S. 50

R. -50

2852.03.101- Fertilizer Subsidy

2852.03.101.06 – Urea Subsidy

O. 54886,60,87

S. 26453,81,43

R. 6006,42,70

87346,85,00

91655,66,92

+4308,81,92 ✓

Col.1&4: Excess was due to steep escalation in international prices of Imported Urea.

2852.03.101.07-Grant to BVFCL

S. 50

R. 99,99,50

100,00,00

100,00,00

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Col.1: Excess was due to requirement of additional funds towards sustaining operation of Urea Manufacturing units.

2852.03.789- Special Component Plan for Scheduled Castes

2852.03.789.06- Urea Subsidy

O. 5211,26,13

S. 2510,63,23

R. 581,43,33

8303,32,69

8712,52,00

+409,19,31 ✓

Col.1&4: Excess was due to steep escalation in international prices of Imported Urea.

2852.03.796-Tribal Area Sub-Plan

2852.03.796.06- Urea Subsidy

O. 2699,81,00

S. 1300,69,34

R. 301,22,44

4301,72,78

4513,71,51

+211,98,73 ✓

Col.1:&4 Excess was due to steep escalation in international prices of Imported Urea.

Total "2852"

O. 62797,68,00

S. 30265,15,00

R. 6989,07,47

100051,90,47

104981,90,43

+4929,99,96

Major Head "3475"

Other General Economic Services

3475.00.800-Other Expenditure

3475.00.800.69-Write off Loans/Equity

O. 1,00

R. -1,00

(1)	(2)	(3)	(4)
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Surrenders or withdrawals within grant

R. 4436,65,39	4436,65,39	--	-4436,65,39
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Total Revenue Section

O. 83596,77,00			
S. 73695,16,00	157291,93,00	157785,30,93	+493,37,93

Capital Section

Major Head "6855" - Loans for Fertiliser Industries
 6855.00.190- Loans to Public Sector and other Undertakings
 6855.00.190.01- Fertilizers Corporation of India Ltd

O. 1,00			
R. -1,00	--	--	--

6855.00.190.06- Hindustan Fertilizers Corporation Ltd

O. 1,00			
R. -1,00	--	--	--

6855.00.190.12- Pyrites, Phosphates & Chemicals Ltd.

O. 1,00			
R. -1,00	--	--	--

6855.00.190.14- Brahmaputra Valley Fertilizers Corporation Ltd.

O. 1,00			
R. -1,00	--	--	--

6855.00.190.15- Hindustan Urvarak and Rasayan Limited

O. 444,58,00			
R. -363,02,00			

81,56,00	815600	--
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Col.1: Saving was due to requirement of less funds towards payment of interest during construction.

Total Major Head 6855

O. 444,62,00			
R. -363,06,00			

81,56,00	81,56,00	--
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Surrenders or withdrawals within grant

R. 363,06,00	--	-363,06,00
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Total Capital Section

444,62,00	81,56,00	-363,06,00
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Certified to the best of my knowledge and belief that all expenditure included in the Head-wise Appropriation Accounts Union Government (Civil) for the year 2021-22 has been sanctioned by the competent authority.

(A. S. Sandhu)

(Sanjay Rastogi)

(Arun Singhal)

Chief Controller of Accounts

AS&FA

Secretary



महा निदेशक लेखा परीक्षा
(कृषि, खाद्य एवं जल संसाधन), नई दिल्ली
Director General of Audit
(Agriculture, Food & Water Resources), New Delhi



Department of Fertilizers, Ministry of Chemicals and Fertilizers, अपने पत्र संख्या 12(10)/2024-Fin-I का सन्दर्भ लें जिसके द्वारा अनुदान संख्या 06, वर्ष 2021-22, पर संशोधित व्याख्यात्मक आधिक्य नोट दिनांक 13.06.2024 को APMS पर अपलोड किया गया था।

- 2) संशोधित व्याख्यात्मक बचत नोट पर इस कार्यालय की टिप्पणी निम्नलिखित हैं:
Pencil corrections may be incorporated in the revised Explanatory Note.
- 3) The Ministry may prepare a final statement considering para 2 above and upload a copy of the same on the APMS portal, duly signed by the Secretary/ Joint Secretary of the Ministry.

व० लेखा परीक्षा अधिकारी (रिपोर्ट)

Department of Fertilizers, Ministry of Chemicals and Fertilizers, नई दिल्ली
[ध्यानार्थ: अवर सचिव (बजट)]

प्रतिवेदन/2-206/DGA/AF&WR/Grant No.06/EN/2021-22/2151 दिनांक 26.07.2024

Subject: Explanatory Note on Saving/Excess of Rs. 100.00 Crore or more occurred under Grant No.6-Department of Fertilizers for the year ended on 31.3.2022-reg.

Revenue Section (Voted)

	(Rs. in thousands)
Original Grant	835967700
Supplementary Grant	736951600
Total Provision	1572919300
Actual Expenditure	1577853093
Excess	4933793

From the above table it may be seen that the total provision under Revenue Section (Voted) under the Demand No. 6- Department of Fertilizers for the year 2021-22 was Rs. 835967700 thousand. During the year 2021-22, an additional amount of Rs. 100 thousand in the 1st batch of supplementary, Rs. 584300000 thousand in the 2nd Supplementary Grant and Rs. 152651500 thousand were allocated in the 3rd Supplementary Grants under the Revenue Section. Thus, total allocation for the Department was Rs. 1572919300 thousand. Against that allocation, an actual expenditure of Rs. 1577853093 thousand was incurred, resulting in excess expenditure of Rs. 4933793 thousand in the Revenue Section.

2. The Budget Sub Heads in the Revenue Section where the substantial excess occurred and reasons thereof are explained below:

MAJOR HEAD : 2852

(i) Urea subsidy Scheme

Sub-Head: 2852.03.101.06 (General component subsidy)

	(Rs. in thousands)
Original Grant	54886,60,87
Supplementary	26453,81,43
Re-appropriation/Surrender	-6006,42,70
Total grant	8134 04 230 87346,85,00
Actual Expenditure	91655,66,92
Excess	103152462 4308,81,92

Sub-Head: 2852.03.789.06 (Special Component for Scheduled Castes)

	(Rs. in thousands)
Original Grant	5211,26,13
Supplementary	2510,63,23
Re-appropriation	-581,43,33
Total grant	77218936 8303,32,69
Actual Expenditure	8712,52,00
Excess	9906264 409,19,31

Sub-Head: 2852.03.796.06 (Tribal Sub-plan)

	(Rs. in thousands)
Original Grant	2699,81,00
Supplementary	1300,69,34
Re-appropriation	301,22,44
Total grant	40005034 (4301,72,78)
Actual Expenditure	4513,71,51
Excess	5132117 (211,98,73)

The excess expenditure under the above 3 Sub-heads of the scheme of Urea subsidy was Rs. 49299996 Thousands.

3. The Budget Sub-Heads in the Revenue Section where the substantial funds were surrendered and reasons thereof are explained below:

(ii) NBS Subsidy Scheme

Sub-Head: 2401.00.105.26 (General component subsidy)

	(Rs. in thousands)
Original Grant	18145,98,80
Supplementary	37957,82,88
Re-appropriations	-6109,26,00
Total grant	561038168 (49994,55,68)
Actual Expenditure	46120,95,01
Surrender+Savings	99828667 (3873,60,67)

Sub-Head: 2401.00.789.44 (Special Component for Scheduled Castes)

	(Rs. in thousands)
Original Grant	1723,24,60
Supplementary	3604,69,08
Re-appropriation	-580,17,00
Total grant	53279368 (4747,76,68)
Actual Expenditure	4379,90,71
Surrender+Savings	9480297 (367,85,97)

Sub-Head: 2401.00.796.46 (Tribal Sub-plan)

	(Rs. in thousands)
Original Grant	892,76,60
Supplementary	1867,49,04
Re-appropriation	-300,57,00
Total grant	27602564 (2459,68,64)
Actual Expenditure	2269,10,85
Surrender+Savings	4911479 (190,57,79)

The surrender under the above mentioned Sub-Heads of the NBS Scheme for P&K Fertilizer subsidy was Rs. 44320443 Thousands.

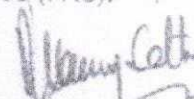
Reasons for Excess/Surrender:

26
4. At the time of allocation of budget of Rs. 15000 crore for Urea Subsidy scheme (Indigenous and Imported) after obtaining cash supplementary (2nd Batch), the amount of Recoveries i.e. Rs. 4930 crore were inadvertently added to Rs. 15000 crore to make it Gross Budget figure. However, the figure of Rs. 15,000 crore was already Gross of Recoveries. As a result of it, the amount of Recoveries was got added twice in the figure of Rs. 15,000 crore and resultantly, the figure of Rs. 19930 (Rs. 15000 crore + Rs. 4930 crore) were circulated (*copy enclosed at Annexure I*). Realizing this error later, an amount of Rs. 4436.65 crore were surrendered in Revenue Section (from NBS scheme and other Budget Heads) which was very close to the re-addition of recoveries of Rs. 4930 crore. Despite the surrender of Rs. 4436.65 Crore in the overall Revenue Section, there was an excess expenditure of Rs. 493.3793 Crore in the Revenue Section.

5. A Technical Supplementary was also obtained to augment the scheme budget under Revenue Section (Rs. 363.02 Cr) by showing the matching savings under the Capital Section (363.02 Cr) of the Grant. Accordingly, in terms of Technical Supplementary Rules and other surrenders under Capital Section (amounting to Rs. 4 Lakh), a total amount of Rs. 363.06 Cr was Surrendered under Capital Section of the Grant.

6. Taking into account the total Surrender of Rs. 4799.71 Crore under both Revenue Section (Rs. 4436.65 Crore) and Capital Section (Rs. 363.06 Crore) of the Grant, there was an overall excess expenditure of Rs. 130.32 Cr at Grant level. The overall excess expenditure is thus 0.08% of the total Grant of the Department.

7. The approval of Parliament for regularization of excess Grant in the Revenue Section and in the Grant will be obtained through 'Excess demand for Grants' under Article 115 of the Constitution after receiving the recommendations of the Public Accounts Committee (PAC).


(Manoj Sethi)

Joint Secretary & Financial Adviser

Encl. As above.

मनोज सेठी / MANOJ SETHI
संयुक्त सचिव एवं वित्तीय सलाहकार
Joint Secretary & Financial Advisor
रासायन एवं उर्वरक विभाग
Ministry of Chemical & Fertilizers
उर्वरक विभाग / Department of Fertilizers
भारत सरकार / Government of India
नई दिल्ली / New Delhi-110001

No. 12(10)/2024-Fin-I
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

ShastriBhawan, New Delhi
Dated, the 3rd September, 2024

OFFICE MEMORANDUM

Subject: Revision of Explanatory Note 2021-22 reg.

The undersigned is directed to refer to DO letter no. 2-206/DGA/AF&WR/Grant No. 06/EN/2021-22/2141 dated 26.07.2024 received from O/o Director General of Audit, Agriculture, Food & Water Resources, New Delhi and to attach herewith the revised the EN 2021-22 as per the pencil corrections recommended by O/o DGA.

2. This issues with the approval of JS&FA.

(Arun Kalra)

Under Secretary to the Govt. of India
Tel. No. 23782545

To

1. O/o Director General of Audit, Agriculture, Food & Water Resources, New Delhi.
2. To be uploaded on APMS portal

Subject: Explanatory Note on Saving/Excess of Rs. 100.00 Crore or more occurred under Grant No.6-Department of Fertilizers for the year ended on 31.3.2022-reg.

Revenue Section (Voted)

	(Rs. in thousands)
Original Grant	835967700
Supplementary Grant	736951600
Total Provision	1572919300
Actual Expenditure	1577853093
Excess	4933793

From the above table it may be seen that the total provision under Revenue Section (Voted) under the Demand No. 6- Department of Fertilizers for the year 2021-22 was Rs. 835967700 thousand. During the year 2020-21, an additional amount of Rs. 100 thousand in the 1st batch of supplementary, Rs. 584300000 thousand in the 2nd Supplementary Grant and Rs. 152651500 thousand were allocated in the 3rd Supplementary Grants under the Revenue Section. Thus, total allocation for the Department was Rs. 1572919300 thousand. Against that allocation, an actual expenditure of Rs. 1577853093 thousand was incurred, resulting in excess expenditure of Rs. 4933793 thousand in the Revenue Section.

2. The Budget Sub Heads in the Revenue Section where the substantial excess occurred and reasons thereof are explained below:

MAJOR HEAD : 2852

(i) Urea subsidy Scheme

Sub-Head: 2852.03.101.06 (General component subsidy)

	(Rs. in thousands)
Original Grant	54886,60,87
Supplementary	26453,81,43
Total grant	81340,42,30
Actual Expenditure	91655,66,92
Excess	10315,24,62

Sub-Head: 2852.03.789.06 (Special Component for Scheduled Castes)

	(Rs. in thousands)
Original Grant	5211,26,13
Supplementary	2510,63,23
Total grant	7721,89,36
Actual Expenditure	8712,52,00
Excess	990,62,64

Sub-Head: 2852.03.796.06 Tribal Sub-plan

9 /

	(Rs. in thousands)
Original Grant	2699,81,00
Supplementary	1300,69,34
Total grant	4000,50,34
Actual Expenditure	4513,17,51
Excess	513,21,17

The excess expenditure under the above 3 Sub-heads of the scheme of Urea subsidy was Rs. 49299996 Thousands.

3. The Budget Sub-Heads in the Revenue Section where the substantial funds were surrendered and reasons thereof are explained below:

(ii) NBS Subsidy Scheme

Sub-Head: 2401.00.105.26 (General component subsidy)

	(Rs. in thousands)
Original Grant	18145,98,80
Supplementary	37957,82,88
Total grant	56103,81,68
Actual Expenditure	46120,95,01
Surrender+Savings	9982,86,67

Sub-Head: 2401.00.789.44 (Special Component for Scheduled Castes)

	(Rs. in thousands)
Original Grant	1723,24,60
Supplementary	3604,69,08
Total grant	5327,93,68
Actual Expenditure	4379,90,71
Surrender+Savings	948,02,97

Sub-Head: 2401.00.796.46 (Tribal Sub-plan)

	(Rs. in thousands)
Original Grant	892,76,60
Supplementary	1867,49,04
Total grant	2760,25,64
Actual Expenditure	2269,10,85
Surrender+Savings	491,14,79

The surrender under the above mentioned Sub-Heads of the NBS Scheme for P&K Fertilizer subsidy was Rs. 44320443 Thousands.

Reasons for Excess/Surrender:

4. At the time of allocation of budget of Rs. 15000 crore for Urea Subsidy scheme (Indigenous and Imported) after obtaining cash supplementary (2nd Batch), the amount of Recoveries i.e. Rs. 4930 crore were inadvertently added to Rs. 15000 crore to make it Gross Budget figure. However, the figure of RS. 15,000 crore was already Gross of Recoveries. As a result of it, the amount of Recoveries was got added twice in the figure of Rs.15,000 crore and resultantly, the figure of Rs. 19930 (Rs. 15000 crore + Rs. 4930 crore) were circulated (*copy enclosed at Annexure I*). Realizing this error later, an amount of Rs. 4436.65 crore were surrendered in Revenue Section (from NBS scheme and other Budget Heads) which was very close to the re-addition of recoveries of Rs. 4930 crore. Despite the surrender of Rs. 4436.65 Crore in the overall Revenue Section, there was an excess expenditure of Rs. 493.61 Crore in the Revenue Section.

5. A Technical Supplementary was also obtained to augment the scheme budget under Revenue Section (Rs. 363.02 Cr) by showing the matching savings under the Capital Section (363.02 Cr) of the Grant. Accordingly, in terms of Technical Supplementary Rule and other surrenders under Capital Section (amounting to 4 Lakh Rs.), a total amount of Rs. 363.06 Cr was Surrendered under Capital Section of the Grant.

6. Taking into account the total Surrender of Rs. 4799.71 Crore under both Revenue Section (Rs. 4436.65 Crore) and Capital Section (Rs. 363.06 Crore) of the Grant, there was an overall excess expenditure of Rs. 130.32 Cr at Grant level. The overall excess expenditure is thus 0.08% of the total Grant of the Department.

7. The approval of Parliament for regularization of excess Grant in the Revenue Section and in the Grant will be obtained through 'Excess demand for Grants' under Article 115 of the Constitution after receiving the recommendations of the Public Accounts Committee (PAC).



(Manoj Sethi)

Joint Secretary & Financial Adviser

Encl. As above.

No. 12(4)/2024-Fin.I
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 13th September, 2024

OFFICE MEMORANDUM

Subject: - Excess over Voted and Charged Appropriations (2021-22) regarding Ministry of Chemicals and Fertilizers.

In supersession of OM of even no. dated 28.8.2024 and 06.09.2024, the undersigned is directed to refer to Lok Sabha Secretariat's OM No. 28/1/1/2024/PAC dated 23.08.2024 on the subject mentioned above and to furnish the **revised** point-wise reply as below:

i. Please confirm the exact amount of excess expenditure being requested for regularization as approved by Secretary and duly verified by Audit.

Reply- Excess expenditure of Rs. 493.3793 under Revenue Section is requested for regularization for FY 2021-22

ii. Please furnish a detailed break-up of the total excess expenditure and total savings that contributed to the excess amount reported as approved by Secretary and duly vetted by Audit.

Reply- The detailed break-up of total Excess expenditure for FY 2021-22, Section-wise is as below:

(Rs. in Crore)	
Section	Excess (+) / Savings (-)
Revenue Section (Voted)	+493.3793
Capital Section (Voted)	-363.0600
Overall Grant No. 6	+130.3193

2. In support of it, copies of Annual Appropriation Accounts 2021-22 as approved by Secretary (Fertilizers) and of Explanatory Note (EN) sent to Audit, are attached as Annexure-I and Annexure-II respectively.

Encls: As above.



(Ujjwal Kumar)

Deputy Secretary (Budget & Finance-I)
Tel:23388536

To:

Director, PAC Branch, (Shri Muraleedharan. P)
79, Parliament House, New Delhi - 110001

COPY OF Annual Appropriation Accounts (2021-22) DoF

HEADWISE APPROPRIATION ACCOUNTS FOR 2021-2022. GRANT NO. - 6 DEPARTMENT OF FERTILIZERS

Head (1)	Total grant (2)	Actual expenditure (3)	Excess Saving (4)
(In thousands of rupees)			

Revenue Section

Major Head "3451"

Secretariat-Economic Service
3451.00.090-Secretariat
3451.00.090.33-Department of Fertilizers
O. 37,08,00
R. - 3,68,44

33,39,56

33,43,93

+4,37

Major Head "2401"

Crop Husbandry
2401.00.105-Manures and Fertilizers
2401.00.105.26-Nutrient Based Subsidy Policy
O. 18145,98,80
S. 37957,82,88
R. -9982,85,79

46120,95,89

46120,95,01

-88

Col.1: Saving was due to receipt of less bills, owing to decreased sale in the last quarter and receipt of incomplete claims from the companies.

2401.00.789-Special Component Plan for Schedule Castes
2401.00.789.44- Nutrient Based Subsidy Policy
O. 1723,24,60
S. 3604,69,08
R. -948,02,89

4379,90,79

4379,90,71

-8

Col.1: Saving was due to receipt of less bills, owing to decreased sale in the last quarter and receipt of incomplete claims from the companies.

2401.00.796-Tribal Area Sub-Plan
2401.00.796.46- Nutrient Based Subsidy Policy
O. 892,76,60
S. 1867,49,04
R. -491,14,74

2269,10,90

2269,10,85

-5

Col.1: Saving was due to receipt of less bills, owing to decreased sale in the last quarter and receipt of incomplete claims from the companies.

Total "2401"
O. 20762,00,00
S. 43430,01,00
R. -11422,03,42

52769,97,58

52769,96,57

-1,01

(1)	(2)	(3)	(4)
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Major Head "2852"

Industries

2852.03- Fertilizer Industries

2852.03.004-Research & Development

2852.03.004.05-S & T Programme of Department

S. 50

R. -50

2852.03.101- Fertilizer Subsidy

2852.03.101.06 - Urea Subsidy

O. 54886,60,87

S. 26453,81,43

R. 6006,42,70

87346,85,00

91655,66,92

+4308,81,92 ✓

Col.1&4: Excess was due to steep escalation in international prices of Imported Urea.

2852.03.101.07-Grant to BVFCL

S. 50

R. 99,99,50

100,00,00

100,00,00

Col.1: Excess was due to requirement of additional funds towards sustaining operation of Urea Manufacturing units.

2852.03.789- Special Component Plan for Scheduled Castes

2852.03.789.06- Urea Subsidy

O. 5211,26,13

S. 2510,63,23

R. 581,43,33

8303,32,69

8712,52,00

+409,19,31 ✓

Col.1&4: Excess was due to steep escalation in international prices of Imported Urea.

2852.03.796-Tribal Area Sub-Plan

2852.03.796.06- Urea Subsidy

O. 2699,81,00

S. 1300,69,34

R. 301,22,44

4301,72,78

4513,71,51

+211,98,73 ✓

Col.1&4 Excess was due to steep escalation in international prices of Imported Urea.

Total "2852"

O. 62797,68,00

S. 30265,15,00

R. 6989,07,47

100051,90,47

104981,90,43

+4929,99,96

Major Head "3475"

Other General Economic Services

3475.00.800-Other Expenditure

3475.00.800.69-Write off Loans/Equity

O. 1,00

R. -1,00

Revised Explanatory Note 2021-22
Sent to Audit

Annexure-II

No. 12(10)/2024-Fin-I
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated, the 13th September, 2024

OFFICE MEMORANDUM

Subject: Revision of Explanatory Note 2021-22 reg.

In supersession of earlier OM of even no. dated 03.09.2024, the undersigned is directed to refer to DO letter no. 2-206/DGA/AF&WR/Grant No. 06/EN/2021-22/2141 dated 26.07.2024 received from O/o Director General of Audit, Agriculture, Food & Water Resources, New Delhi and to attach herewith the revised EN 2021-22 as per the pencil corrections recommended by O/o DGA.



(Arun Kalra)

Under Secretary to the Govt. of India
Tel. No. 23782545

To

1. O/o Director General of Audit, Agriculture, Food & Water Resources, New Delhi.
2. To be uploaded on APMS portal

Subject: Explanatory Note on Saving/Excess of Rs. 100.00 Crore or more occurred under Grant No.6-Department of Fertilizers for the year ended on 31.3.2022-reg.

Revenue Section (Voted)

	(Rs. in thousands)
Original Grant	835967700
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Total Provision	1572919300
Actual Expenditure	1577853093
Excess	4933793

From the above table it may be seen that the total provision under Revenue Section (Voted) under the Demand No. 6- Department of Fertilizers for the year 2021-22 was Rs. 835967700 thousand. During the year 2021-22, an additional amount of Rs. 100 thousand in the 1st batch of supplementary, Rs. 584300000 thousand in the 2nd Supplementary Grant and Rs. 152651500 thousand were allocated in the 3rd Supplementary Grants under the Revenue Section. Thus, total allocation for the Department was Rs. 1572919300 thousand. Against that allocation, an actual expenditure of Rs. 1577853093 thousand was incurred, resulting in excess expenditure of Rs. 4933793 thousand in the Revenue Section.

2. The Budget Sub Heads in the Revenue Section where the substantial excess occurred and reasons thereof are explained below:

MAJOR HEAD : 2852

(i) Urea subsidy Scheme

Sub-Head: 2852.03.101.06 (General component subsidy)

	(Rs. in thousands)
Original Grant	54886,60,87
Supplementary	26453,81,43
Total grant	81340,42,30
Actual Expenditure	91655,66,92
Excess	10315,24,62

Sub-Head: 2852.03.789.06 (Special Component for Scheduled Castes)

	(Rs. in thousands)
Original Grant	5211,26,13
Supplementary	2510,63,23
Total grant	7721,89,36
Actual Expenditure	8712,52,00
Excess	990,62,64

Sub-Head: 2852.03.796.06 Tribal Sub-plan

2/12/21

	(Rs. in thousands)
Original Grant	2699,81,00
Supplementary	1300,69,34
Total grant	4000,50,34
Actual Expenditure	4513,17,51
Excess	513,21,17

The excess expenditure under the above 3 Sub-heads of the scheme of Urea subsidy was Rs. 11819,08,43 Thousands.

3. The Budget Sub-Heads in the Revenue Section where the substantial funds were surrendered and reasons thereof are explained below:

(ii) NBS Subsidy Scheme

Sub-Head: 2401.00.105.26 (General component subsidy)

	(Rs. in thousands)
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Supplementary	37957,82,88
Total grant	56103,81,68
Actual Expenditure	46120,95,01
Savings	9982,86,67

Sub-Head: 2401.00.789.44 (Special Component for Scheduled Castes)

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Original Grant	1723,24,60
Supplementary	3604,69,08
Total grant	5327,93,68
Actual Expenditure	4379,90,71
Savings	948,02,97

Sub-Head: 2401.00.796.46 (Tribal Sub-plan)

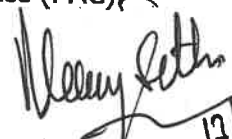
	(Rs. in thousands)
Original Grant	892,76,60
Supplementary	1867,49,04
Total grant	2760,25,64
Actual Expenditure	2269,10,85
Savings	491,14,79

The savings under the above mentioned Sub-Heads of the NBS Scheme for P&K Fertilizer subsidy was Rs. 11422,04,43 Thousands.

2
19/7/21

Reasons for Excess/Surrender:

4. At the time of allocation of budget of Rs. 15000 crore for Urea Subsidy scheme (Indigenous and Imported) after obtaining **cash supplementary** (2nd Batch), the amount of Recoveries i.e. Rs. 4930 crore were inadvertently added to Rs. 15000 crore to make it Gross Budget figure. However, the figure of RS. 15,000 crore was already Gross of Recoveries. As a result of it, the amount of Recoveries got added twice in the figure of Rs.15,000 crore and resultantly, the figure of Rs. 19930 (Rs. 15000 crore + Rs. 4930 crore) were circulated (*copy enclosed at Annexure I*). Realizing this error later, an amount of Rs. 4436.65 crore were surrendered in Revenue Section (from NBS scheme and other Budget Heads) which was very close to the re-addition of recoveries of Rs. 4930 crore. Despite the surrender of Rs. 4436.65 Crore in the overall **Revenue Section**, there was an excess expenditure of Rs. 493.3793 Crore in the Revenue Section.
5. A **Technical Supplementary** was also obtained to augment the scheme budget under Revenue Section (Rs. 363.02 Cr) by showing the matching savings under the Capital Section (363.02 Cr) of the Grant. Accordingly, in terms of Technical Supplementary Rule and other surrenders under Capital Section (amounting to 4 Lakh Rs.), a total amount of Rs. 363.06 Cr was Surrendered under **Capital Section** of the Grant.
6. Taking into account the total Surrender of Rs. 4799.71 Crore under both **Revenue Section** (Rs. 4436.65 Crore) and **Capital Section** (Rs. 363.06 Crore) of the Grant, there was an overall excess expenditure of Rs. 130.3193 Cr at Grant level. The overall excess expenditure is thus 0.08% of the total Grant of the Department.
7. The approval of Parliament for regularization of excess Grant in the Revenue Section and in the Grant will be obtained through 'Excess demand for Grants' under Article 115 of the Constitution after receiving the recommendations of the Public Accounts Committee (PAC).


(Manoj Bethi) 12/9/2021

Joint Secretary & Financial Adviser

Encls: As above



भारत सरकार / Government of India
रसायन एवं उर्वरक मंत्रालय / Ministry of Chemicals & Fertilizers
(उर्वरक विभाग) / (Department of Fertilizers)

No. 5(1)/2021-Fin.I

Shastri Bhawan, New Delhi
Dated 4th February, 2022

OFFICE MEMORENDUM

Subject: - 2nd Batch of Supplementary Demand for Grants for the year 2021-22 - reg.

In pursuance of Ministry of Finance, D/o Economic Affairs OM no. 4(37)-B(SD)/20201 dated 14.01.2022 communicating that the 2nd Batch of Supplementary Demands for Grants 2021-22 after being passed by the Parliament and assented to by the President of India, the bifurcation of funds allocated under various schemes in the Demand No. 6, Department of Fertilizers under Revenue Section for the year 2021-22 is as follows:

REVENUE SECTION	(Rs. in Crores)
Payment for Indigenous Urea	Voted (Amount)
2852.03.101.06.01.33	3,229.60
2852.03.789.06.01.33	2822.67
2852.03.796.06.01.33	268.06
	138.87
Payment for Import of Urea	16,700.40
2852.03.101.06.03.33	14596.15
2852.03.789.06.03.33	1386.13
2852.03.796.06.03.33	718.12
Major Head 2852 – Industries (Total)	19,930.00
Payment for Indigenous P&K	26,602.66
2401.00.105.26.01.33	23250.73
2401.00.789.44.01.33	2208.02
2401.00.796.46.01.33	1143.91
Payment for Import of P&K	16,827.34
2401.00.105.26.02.33	14707.09
2401.00.789.44.02.33	1396.67
2401.00.796.46.02.33	723.58
Major Head 2401 – Crop Husbandry (Total)	43,430.00
REVENUE SECTION (Total)	63,360.00
Details of Recovery	
2852.03.101.06.03.70	4930.00
Total Recoveries	4930.00

अनुदान सं. 84 - रेलवे

GRANT NO. 84 - RAILWAYS

मुख्य शीर्षों के अनुसार विनियोग लेखों का समग्र सारांश 2021-2022

GRAND SUMMARY OF APPROPRIATION ACCOUNTS BY MAJOR HEAD 2021-2022

(आंकड़े ₹ में)
(In units of ₹)

मुख्य शीर्ष अथवा विनियोग की संख्या और नाम <i>Number & Name of Major Head or Appropriation</i>	कुल अनुदान अथवा विनियोग <i>Total Grant or Appropriation</i>	वास्तविक खर्च <i>Actual Expenditure</i>	वास्तविक खर्च का कुल अनुदान अथवा विनियोग से तुलना वृद्धि (+) बचत (-) <i>Actuals compared with Total Grant or Appropriation Excess (+) Saving (-)</i>
1	2	3	4
3001(1) राजस्व-रेलवे बोर्ड Revenue –Railway Board. स्वीकृत Voted मू. O 3888915000 3888915000 3789055895 -99859105 पू. S 0			
3001(2) राजस्व-विविध व्यय (सामान्य) Revenue–Miscellaneous Expenditure (General) प्रभृत Charged मू. O 40000000 45000000 41299914 -3700086 पू. S 5000000 स्वीकृत Voted मू. O 19071185000 19071185000 13026995975 -6044189025 पू. S 0			
3002- राजस्व-संचालन व्यय-सामान्य अधीक्षण और सेवाएं 3003 (01) Revenue–Working Expenses–General Superintendence and Services. प्रभृत Charged मू. O 2595000 2595000 18341312 15746312 पू. S 0 स्वीकृत Voted मू. O 91978849000 91978849000 85313519193 -6665329807 पू. S 0			
3002- राजस्व- संचालन व्यय-रेलपथ और निर्माण कार्यों की मरम्मत और अनुरक्षण 3003(02) Revenue–Working Expenses–Repairs & Maintenance of Permanent Way and Works. प्रभृत Charged मू. O 12193000 12193000 30328217 18135217 पू. S 0 स्वीकृत Voted मू. O 169460474000 169460474000 165896785322 -3563688678 पू. S 0			
3002- राजस्व- संचालन व्यय-रेल इंजन की मरम्मत और अनुरक्षण 3003(03) Revenue–Working Expenses–Repairs & Maintenance of Motive Power. प्रभृत Charged मू. O 110000 110000 0 -110000 पू. S 0			

समग्र सारांश - (जारी) GRAND SUMMARY - (Contd.)

(आंकड़े ₹ में)
(In units of ₹)

मुख्य शीर्ष अथवा विनियोग की संख्या और नाम <i>Number & Name of Major Head or Appropriation</i>	कुल अनुदान अथवा विनियोग <i>Total Grant or Appropriation</i>	वास्तविक खर्च <i>Actual Expenditure</i>	वास्तविक खर्च का कुल अनुदान अथवा विनियोग से तुलना वृद्धि (+) बचत (-) <i>Actuals compared with Total Grant or Appropriation Excess (+) Saving (-)</i>
1	2	3	4
स्वीकृत Voted			
मू. O	64067882000	64067882000	60634714378
पू. S	0		-3433167622
3002- 3003(04)	राजस्व- संचालन व्यय-सवारी और माल डिब्बों की मरम्मत और अनुरक्षण Revenue-Working Expenses-Repairs & Maintenance of Carriages & Wagons.		
प्रभृत Charged			
मू. O	105000	105000	0
पू. S	0		-105000
स्वीकृत Voted			
मू. O	166758649000	166758649000	174441315597
पू. S	0		7682666597
3002- 3003(05)	राजस्व- संचालन व्यय-संयंत्र और उपस्कर की मरम्मत और अनुरक्षण Revenue-Working Expenses-Repairs & Maintenance of Plant and Equipment.		
प्रभृत Charged			
मू. O	466000	466000	1623279
पू. S	0		1157279
स्वीकृत Voted			
मू. O	91579695000	91579695000	88151147844
पू. S	0		-3428547156
3002- 3003(06)	राजस्व- संचालन व्यय-परिचालन व्यय-चल स्टॉक और उपस्कर Revenue-Working Expenses-Operating Expenses-Rolling Stock and Equipment.		
प्रभृत Charged			
मू. O	105000	105000	157002
पू. S	0		52002
स्वीकृत Voted			
मू. O	168744654000	168744654000	171337590216
पू. S	0		2592936216
3002- 3003(07)	राजस्व- संचालन व्यय-परिचालन व्यय-यातायात Revenue-Working Expenses-Operating Expenses-Traffic.		
प्रभृत Charged			
मू. O	972000	972000	31093209
पू. S	0		30121209
स्वीकृत Voted			
मू. O	356900506000	356900506000	331766157213
पू. S	0		-25134348787

समग्र सारांश - (जारी) GRAND SUMMARY – (Contd.)

(आंकड़े ₹ में)
(In units of ₹)

मुख्य शीर्ष अथवा विनियोग की संख्या और नाम Number & Name of Major Head or Appropriation	कुल अनुदान अथवा विनियोग Total Grant or Appropriation	वास्तविक खर्च Actual Expenditure	वास्तविक खर्च का कुल अनुदान अथवा विनियोग से तुलना वृद्धि (+) बचत (-) Actuals compared with Total Grant or Appropriation Excess (+) Saving (-)
1	2	3	4
3002- 3003(08)	राजस्व- संचालन व्यय-परिचालन व्यय-ईंधन Revenue-Working Expenses-Operating Expenses-Fuel.		
	प्रभृत Charged		
	मू. O	0	0
	पू. S	0	
	स्वीकृत Voted		
	मू. O	240758688000	308267351240
	पू. S	0	67508663240
3002- 3003(09)	राजस्व- संचालन व्यय-कर्मचारी कल्याण और सुविधाएं Revenue-Working Expenses-Staff Welfare & Amenities.		
	प्रभृत Charged		
	मू. O	575000	16900575
	पू. S	0	16325575
	स्वीकृत Voted		
	मू. O	85340392000	83106279102
	पू. S	0	-2234112898
3002- 3003(10)	राजस्व-विविध संचालन व्यय Revenue-Miscellaneous Working Expenses.		
	प्रभृत Charged		
	मू. O	4602460000	2691287381
	पू. S	20000000	-1931172619
	स्वीकृत Voted		
	मू. O	77658630000	69922223069
	पू. S	0	-7736406931
3002- 3003(11)	राजस्व- संचालन व्यय-भविष्य निधि, पेंशन और अन्य सेवानिवृत्ति लाभ Revenue-Working Expenses-Provident Fund, Pension and Other Retirement Benefits.		
	प्रभृत Charged		
	मू. O	419000	2469883
	पू. S	0	2050883
	स्वीकृत Voted		
	मू. O	586501581000	575966974902
	पू. S	0	-10534606098

समग्र सारांश - (जारी) GRAND SUMMARY - (Contd.)

(आंकड़े ₹ में)
(In units of ₹)

मुख्य शीर्ष अथवा विनियोग की संख्या और नाम <i>Number & Name of Major Head or Appropriation</i>	कुल अनुदान अथवा विनियोग <i>Total Grant or Appropriation</i>	वास्तविक खर्च <i>Actual Expenditure</i>	वास्तविक खर्च का कुल अनुदान अथवा विनियोग से तुलना वृद्धि (+) बचत (-) <i>Actuals compared with Total Grant or Appropriation Excess (+) Saving (-)</i>
1	2	3	4
3002- 3003 & 3006	राजस्व-निधियों में विनियोग-मूल्यहास आरक्षित निधि, विकास निधि, पेंशन निधि और राष्ट्रीय रेल संरक्षा कोष Revenue-Appropriation to Funds,-Depreciation Reserve Fund, Development Fund, Pension fund and Rashtriya Rail Sanraksha Kosh. स्वीकृत Voted		
	मू. O 607610000000	607610000000	482000000000
	पू. S 0		-125610000000
3075	अन्य परिवहन सेवाएं Other Transport Services.		
	स्वीकृत Voted		
	मू. O 29546400000	29546500000	29470204112
	पू. S 100000		-76295888
5002- 5003	परिसंपत्तियां-अधिग्रहण, निर्माण और बदलाव भाग-I-अन्य खर्च Assets-Acquisition, Construction and Replacement - Part I -Other Expenditure.		
	पूंजी		
	Capital		
	प्रभृत Charged		
	मू. O 904944000	6938749000	7422125740
	पू. S 6033805000		483376740
	स्वीकृत Voted *		
	मू. O 1429763688000	1443918888000	1384236461978
	पू. S 14155200000		-59682426022
5002- 5003	परिसंपत्तियां-अधिग्रहण, निर्माण और बदलाव-भाग-II-अन्य खर्च Assets-Acquisition, Construction and Replacement - Part II -Other Expenditure.		
	रेल निधियां		
	Railway Funds		
	प्रभृत Charged		
	मू. O 0	5215000	24984727
	पू. S 5215000		19769727
	स्वीकृत Voted		
	मू. O 26793331000	26793331000	18790158898
	पू. S 0		-8003172102

समग्र सारांश - (जारी) GRAND SUMMARY - (Contd.)

(आंकड़े ₹ में)
(In units of ₹)

मुख्य शीर्ष अथवा विनियोग की संख्या और नाम Number & Name of Major Head or Appropriation	कुल अनुदान अथवा विनियोग Total Grant or Appropriation	वास्तविक खर्च Actual Expenditure	वास्तविक खर्च का कुल अनुदान अथवा विनियोग से तुलना वृद्धि (+) बचत (-) Actuals compared with Total Grant or Appropriation Excess (+) Saving (-)
1	2	3	4
(i) मूल्यहास आरक्षित निधि (मू.आ.नि.) <u>Depreciation Reserve Fund. (DRF)</u>			
प्रभृत Charged			
मू. O	0	4845000	16840632
पू. S	4845000		11995632
स्वीकृत Voted			
मू. O	11783331000	11783331000	8452260633
पू. S	0		-3331070367
(ii) विकास निधि (वि.नि.) <u>Development Fund. (DF)</u>			
प्रभृत Charged			
मू. O	0	370000	8144095
पू. S	370000		7774095
स्वीकृत Voted			
मू. O	15010000000	15010000000	10337898265
पू. S	0		-4672101735
5002- 5003	परिसंपत्तियां-अधिग्रहण, निर्माण और बदलाव-भाग-IV-अन्य खर्च Assets-Acquisition, Construction and Replacement – Part IV –Other Expenditure.		
रेलवे सुरक्षा निधि (रे.सु.निधि) <u>Railway Safety Fund (RSF)</u>			
प्रभृत Charged			
मू. O	30000	30000	6740473
पू. S	0		6710473
स्वीकृत Voted			
मू. O	106000030000	106000030000	111735278595
पू. S	0		5735248595
5002- 5003	राष्ट्रीय रेल संरक्षा कोष (रा.रे.सं.को.) <u>Rashtriya Rail Sanraksha Kosh. (RRSK)</u>		
प्रभृत Charged			
मू. O	15826000	46006000	84248455
पू. S	30180000		38242455
स्वीकृत Voted			
मू. O	214811751000	314811751000	273660766469
पू. S	100000000000		-41150984531

समग्र सारांश - (जारी) GRAND SUMMARY - (Contd.)

(आंकड़े ₹ में)
(In units of ₹)

मुख्य शीर्ष अथवा विनियोग की संख्या और नाम <i>Number & Name of Major Head or Appropriation</i>	कुल अनुदान अथवा विनियोग <i>Total Grant or Appropriation</i>	वास्तविक खर्च <i>Actual Expenditure</i>	वास्तविक खर्च का कुल अनुदान अथवा विनियोग से तुलना वृद्धि (+) बचत (-) <i>Actuals compared with Total Grant or Appropriation Excess (+) Saving (-)</i>
1	2	3	4
5002- 5003	परिसंपत्तियां-अधिग्रहण, निर्माण और बदलाव भाग-III Assets-Acquisition, Construction and Replacement - Part III		
	राष्ट्रीय रेल संरक्षा कोष निधि में अन्तरण (रा.रे.सं.को.) <u>Transfer to Rashtriya Rail Sanraksha Kosh</u>		
स्वीकृत Voted			
मू. O	200000000000	200000000000	150000000000
पू. S	0		-50000000000
	रेलवे सुरक्षा निधि (रे.सु.नि.) <u>Transfer to Railway Safety Fund (RSF)</u>		
स्वीकृत Voted			
मू. O	0	0	206000000000
पू. S	0		206000000000
	केन्द्रीय सड़क निवेश निधि में अन्तरण (के.स.नि.नि.) <u>Transfer to Central Road Investment Fund (CRIF)</u>		
स्वीकृत Voted			
मू. O	498000000000	598000000000	597000000000
पू. S	100000000000		-10000000000
	राष्ट्रीय निवेश निधि में अन्तरण (रा.नि.नि.) <u>Transfer to National Investment Fund (NIF)</u>		
स्वीकृत Voted			
मू. O	573000000000	573000000000	368000000000
पू. S	0		-205000000000
	जोड़ Total प्रभृत <u>Charged</u>		
मू. O	5580800000	11675000000	10371600167
पू. S	6094200000		-1303399833
	स्वीकृत Voted		
मू. O	5808235300000	6022390600000	5752512979998
पू. S	214155300000		-269877620002

समग्र सारांश - (जारी) GRAND SUMMARY - (Contd.)

(आंकड़े ₹ में)
(In units of ₹)

मुख्य शीर्ष अथवा विनियोग की संख्या और नाम <i>Number & Name of Major Head or Appropriation</i>	कुल अनुदान अथवा विनियोग <i>Total Grant or Appropriation</i>	वास्तविक खर्च <i>Actual Expenditure</i>	वास्तविक खर्च का कुल अनुदान अथवा विनियोग से तुलना वृद्धि (+) बचत (-) <i>Actuals compared with Total Grant or Appropriation Excess (+) Saving (-)</i>
1	2	3	4
कुल जोड़ Grand Total			
मू. O	5813816100000	6034065600000	5762884580165
पू. S	2202495000000		-271181019835

उपरोक्त मुख्य शीर्ष-3002, 3003 (11), 5002 व 5003 में जो खर्च दिखाए गए हैं, उन्हें पहले समेकित निधि में से किया गया खर्च मान लिया जाता है। बाद में मूल्यहास आरक्षित, विकास, पेंशन निधि, पूंजी निधि और रेल संरक्षा निधि में से उतनी ही रकम की आपूर्ति समेकित निधि में की गई थी। इस प्रकार जिस रकम की आपूर्ति की गई है, वह “वास्तविक खर्च” के कालम में मूल्यहास आरक्षित निधि ₹ 8469101265, विकास निधि ₹ 10346042360, पेंशन निधि ₹ 526592341797, रेल संरक्षा निधि ₹ 111742019068 और राष्ट्रीय रेल संरक्षा कोष ₹ 273745014924 है।

The expenditure shown above under S.M.H.11, and M.H.5002 & 5003 includes amount in first instance as met from the consolidated Fund. An equivalent amount was subsequently recouped to the Consolidated Fund from the Depreciation Reserve, Development, Pension, Capital Fund, Railway Safety Funds and RRSK. The amount, thus, recouped and shown in the Column 'Actual Expenditure' Depreciation Reserve Fund Rs 8469101265 Development fund Rs.10346042360 Pension Fund Rs. 526592341797 Railway Safety Fund Rs 111742019068 and RRSK Rs. 273745014924.

चूंकि अनुदान और विनियोग सकल रकम के लिए होते हैं, अतः उपर्युक्त ब्यौरे में वे वसूलियां शामिल नहीं हैं, जिनका खर्च घटाकर लेखे में समायोजित किया जाता है। अनुदान और विनियोग की कुल वास्तविक वसूलियां नीचे दी गई हैं, उप मुख्य शीर्षों के अलग-अलग ब्यौरे अनुबंध “च” में दिए गए हैं। As the Grants and Appropriations are for gross amounts, the above details do not include the recoveries which were adjusted in the accounts of expenditure. Total actual recoveries against the Grant and Appropriation are given below the details by SMHs are given in Annexure "F".

	वास्तविक Actuals
प्रभृत Charged	160549284
स्वीकृत Voted	2496632588076
कुल Total	2496793137360 @

@ इसमें उस खर्च से संबंधित ₹ 894658816751 की वसूलियां शामिल हैं, जिन्हें अन्ततः मूल्यहास आरक्षित निधि, विकास निधि, पेंशन निधि, रा.रे.स. कोष और रेल संरक्षा निधि से पूरा किया गया।

@ This includes recoveries of Rs. 894658816751 relating to expenditure which was ultimately recouped from Depreciation Reserve Fund, Development Fund, Pension Fund, RRSK, and Railway Safety Fund.

समग्र सारांश - (जारी) GRAND SUMMARY – (Contd.)

(आंकड़े ₹ में)
(In units of ₹)

राजस्व, निधियों और पूंजी के खर्च को वर्गीकृत करने वाले शीर्षों का विवरण <i>Particulars of Head-classifying Expenditure of Revenue, Funds & Capital</i>	विनियोग लेखों के अनुसार कुल व्यय <i>Total expenditure as per Appropriation Accounts</i>	अनुबंध 'च' के अनुसार वसूलियां घटाइये <i>Deduct Recoveries as per Annexure 'F'</i>	शुद्ध Net
1	2	3	4
प्रभृत CHARGED			
1 राजस्व Revenue	2831030889	42105746	2788925143
2 निधियां Funds			
(i) मू. आ. नि. D.R.F.	16840632	16840632	0
(ii) वि. नि. D.F.	8144095	8144095	0
(iii) रा.रे.सं.कोष RRSK	84248455	84248455	0
(iv) पेंशन निधि Pension Fund	2469883	2469883	0
(v) रेल संरक्षा निधि Rly Safety Fund	6740473	6740473	0
जोड़ Total (2)	118443538	118443538	0
3 पूंजी Capital	7422125740	0	7422125740
कुल जोड़ Grand Total	10371600167	160549284	10211050883
स्वीकृति VOTED			
1 राजस्व Revenue	2116500442145	25903255659	2090597186486
2 निधियां Funds			
(i) मू. आ. नि. D.R.F.	8452260633	8452260633	0
(ii) वि. नि. D.F.	10337898265	10337898265	0
(iii) रा.रे.सं.कोष RRSK	273660766469	273660766469	0
(iv) पेंशन निधि Pension Fund	526589871914	526589871914	0
(v) रेल संरक्षा निधि Rly Safety Fund	111735278595	111735278595	0
जोड़ Total 2	930776075875	930776075875	0
3 पूंजी Capital	1384236461978	574953256542	809283205436
4 रा.वि.निधि में अन्तरण Transfer to NIF	368000000000	368000000000	0
5 के.स.नि.निधि में अन्तरण Transfer to CRIF	597000000000	597000000000	0
6 रा.रे.सं.कोष में अन्तरण Transfer to RRSK	150000000000	0	150000000000
7 रे.सं. निधि में अन्तरण Transfer to RSF	206000000000	0	206000000000
कुल जोड़ Grand Total	5752512979998	2496632588076	3255880391922

समग्र सारांश - (समाप्त) GRAND SUMMARY – (Conclude)

(आंकड़े ₹ में)
(In units of ₹)

मुख्य शीर्ष अथवा विनियोग की संख्या और नाम Number & Name of Major Head or Appropriation	कुल अनुदान अथवा विनियोग Total Grant or Appropriation	वास्तविक खर्च Actual Expenditure	वास्तविक खर्च का कुल अनुदान अथवा विनियोग से तुलना वृद्धि (+) बचत (-) Actuals compared with Total Grant or Appropriation Excess (+) Saving (-)
1	2	3	4

मुख्य शीर्षों के अनुसार वर्गीकरण
MAJOR HEADS WISE CLASSIFICATION

क्र. स. S. No.	मुख्य शीर्ष Major Head	स्वी./प्रभृत V/C	मूल आवटन Original Budget	पूरक मांग Supplementary Grant	कुल आवटन/ विनियोग Total Grant/ Appropriation	वास्तविक खर्च Actual Expenditure	अन्तर Variations
1	3001	स्वी. V	22960100000	0	22960100000	16816051870	-6144048130
		प्रभृत C	40000000	5000000	45000000	41299914	-3700086
2	3002, 3003 & 3006	स्वी. V	2707360000000	0	2707360000000	2596804058078	-110555941922
		प्रभृत C	4620000000	20000000	4640000000	2792200858	-1847799142
3	3075	स्वी. V	29546400000	100000	29546500000	29470204112	-76295888
		प्रभृत C	0	0	0	0	0
4	5002 & 5003	स्वी. V	3048368800000	214155200000	3262524000000	3109422665938	-153101334062
		प्रभृत C	920800000	6069200000	6990000000	7538099395	548099395
	योग TOTAL	स्वी. V	5808235300000	214155300000	6022390600000	5752512979998	-269877620002
		प्रभृत C	5580800000	6094200000	11675000000	10371600167	-1303399833
	कुल योग G. TOTAL	स्वी. + प्रभृत (V+C)	5813816100000	220249500000	6034065600000	5762884580165	-271181019835

मेरी पूर्ण जानकारी और विश्वास के साथ प्रमाणित किया जाता है कि भारतीय रेलों के 2021-22 के विनियोग लेखों में शामिल किए गए सारे खर्च की स्वीकृति, अनुबन्ध “क” के विवरण की मदों को छोड़कर, सक्षम प्राधिकारी द्वारा दी गई है।

Certified to the best of my knowledge and belief that all expenditure included in the Appropriation Accounts of Railways in India for 2021-22 has been sanctioned by competent authority with the exception of items in the statement (Annexure 'A')

अंजली गोयल ANJALI GOYAL
सदस्य वित्त, रेलवे बोर्ड, पदेन सचिव, भारत सरकार
(रेल मंत्रालय)
Member Finance, Railway Board
Ex-Officio Secretary to Government of India
(Ministry of Railways)

अनिल कुमार लाहोटी ANIL KUMAR LAHOTI
अध्यक्ष एवं मुख्य कार्यकारी अधिकारी, रेलवे बोर्ड,
पदेन प्रमुख सचिव, भारत सरकार
(रेल मंत्रालय)
Chairman & Chief Executive Officer, Railway Board
Ex-Officio Principal Secretary, Government of India
(Ministry of Railways)

नई दिल्ली New Delhi
दिनांक Dated

नई दिल्ली New Delhi
दिनांक Dated

ANNEXURE – VI

Table2.13-Misclassification between Revenue expenditure and Capital expenditure.								
S.N.	Zone	Particular of Case	Actually Booked	Should Be Booked	Amount (In Unit)	Impact of Misclassification taken in Explanatory Note	Impact on Capital (Charged)	Reason for no Impact
1	2	3	4	5	6	7	8	9
1	NR	Misclassification of expenditure amounting to ₹54448472/- Regarding expenditure towards Cost of stores i.e.Bogie & Wheel Set for train-18.	3002-03-(04)	5002-03-20-2100	54448472	Yes	NO	Booked to Revenue(Voted) instead of Capital (Voted)
2	NR	Misclassification of expenditure amounting to 2007231/- Regarding expenditure on account Of Pay and allowances of work Charged post of Stores Department.	3002-03-(01)	5002-03-29-	2007231	Yes	NO	Booked to Revenue(Voted) instead of Capital (Voted)
3	NR	Misclassification of expenditure amounting to 48173286/- Regarding expenditure towards Cost of track maintenance work Done by track machine.	3002-03-(05)	5002-03-29-3100	48173286	Yes	NO	Booked to Revenue(Voted) instead of Capital (Voted)
4	NR	Misclassification of expenditure amounting to ₹ 29519178/- due to non-charging of pay & Allowances in the concerned project (USBRL) for the work Charged post.	3002-03-(09)	5002-03=-20-81	29519178	Yes	NO	Booked to Revenue(Voted) instead of Capital (Voted)
5	SCR	Supply, installation and commissioning of DVR based CCTV surveillance system booked to SMH 05 instead of Capital	3002-03 (05)	5002-03-20-6400	787870	NO	NO	Booked to Revenue(Voted) instead of Capital (Voted)
6	SCR	Shifting of pole at LC no.7 in LIEU of RUB (KMNO.6/12-13) Booked under Capital (RRSK) Instead of Revenue.	5002-03 RRSK 3000	3002-03(02)	161873	Yes	NO	Booked to Capital (Voted) instead of Revenue (Voted)
7	SCR	Expenditure for purchase of Liquid iso propyl alcohol hand sanitizers booked	5002-03-20-4200	3002-03(09)	68080	Yes	NO	Booked to Capital (Voted) instead of

		to Capital instead of Revenue SMH-09.						Revenue (Voted)
8	SCR	Supply and installation of data logger network elements for upgradation of data logger connectivity on E (2MBPS channel) for improving network bandwidth over SC Division	3002-03(05)	5002-03-DF3300	3370080	NO	NO	Booked to Revenue(Voted) instead of Capital (Voted)
9	SCR	Irregular booking of expenditure towards Provision of standard layout, provision of additional extension of bridges at Edduladoddi station and provision of engineering siding to SMH2 instead of DF	MH3002-03 (02)	MH 5002-03-DF-1600	1578574	NO	NO	Booked to Revenue(Voted) instead of Capital (Voted)
10	SCR	Irregular booking of expenditure towards Consent for Operation (CFO) fee of various Railway station over GTL Division to RRSK instead of SMH10-Misc. Working Expenses	5002-03-RSF/RRSK-3000-	3002-03(10)	705300	Yes	NO	Booked to Capital (Voted) instead of Revenue (Voted)
11	SCR	GST on Revenue Portion of Lease Charges booked to Capital instead of Revenue SMH-07	5002-03-20-7300	3002-03(07)	5198766	Yes	NO	Booked to Capital (Voted) instead to Revenue (Voted)
12	SWR	Misclassification of Expenditure amounting to ₹9,94,393/- regarding freight charges to Capital instead of Revenue	5002-03	3002-03--4	994393	Yes	NO	Booked to Capital (Voted) instead of Revenue (Voted)
13	SWR	Misclassification of Expenditure amounting to ₹58,53,461/- regarding incorrect allocation towards cost of track Maintenance handed over to open line, charged to Capital instead of	5002-03-20-41	3002-03(04-200)	5853461	Yes	NO	Booked to Capital (Voted) instead of Revenue (Voted)
14	WCR	Part (A) Itarsi improvement works in quarters in new yard colony, passenger yard colony, portar chawl colony, 18 bungalow colony & 12 bungalow colony.	DRF- 215165	3002-03--9	1800000	Yes	NO	Booked to Capital (Voted) instead of Revenue (Voted)
15	ECOR	Misclassification of expenditure on 52kg rails amounting to ₹ 63,70,698/- charged to Revenue expenditure	3002-03(02-220)	5002-03-20-3140	6370698	Yes	NO	Booked to Capital (Voted) instead of

		SMH-02 instead of Capital expenditure.						Revenue (Voted)
16	ECOR	Misclassification of expenditure amounting to ₹33,98,400/-towards Cost of two numbers of 500KVA alternator for power car booked to SMH-06 (D08-660) instead of CAP/RRSK.	3002-03--6	5002-03	3398400	Yes	NO	Booked to Revenue(Voted) instead of Capital (Voted)
17	ECOR	Misclassification of expenditure amounting to ₹69,84,487/-for installation of two numbers of Diesel Alternator (DA sets) for power car mountingto was charged to SMH04 (D06-530) instead of Capital expenditure.	3002-03(04-530)	5002-03	6984487	Yes	NO	Booked to Revenue(Voted) instead of Capital (Voted)
18	SR	Misclassification of expenditure amounting to ₹1012058/-due to non-charging of pay & Allowances in the concerned Projects pertaining to Dy.CE/CN/MDU for the work charged post.	3002-03--2	5002-03-	1012058	NO	NO	Booked to Revenue(Voted) instead of Capital (Voted)
19	SR	Misclassification due to booking of amount realised through sale of released items under Revenue instead of under Capital-Credit value for Released Materials (CRRM)	3002-03--2	5002-03-20-3100	4379989	NO	NO	Booked to Revenue(Voted) instead of Capital (Voted)
20	SR	Misclassification of expenditure amounting to ₹ 8448000/- regarding expenditure on account of Pay and allowances of work charged post of the work of construction of 370 Nos of BOXN HL Wagons Central Workshop, Golden Rock	3002-03--(02)	5002-03-20-4200	8448000	NO	NO	Booked to Revenue(Voted) instead of Capital (Voted)
21	SR	Misclassification due to booking of the freight charges towards the transportation of rails from BSPC to Salem in Revenue instesd of Capital	3002-03--2	5002-03-29-3100	14873165	NO	NO	Booked to Revenue(Voted) instead of Capital (Voted)
22	RPU	Misclassification due to wrong booking of inspection charges amounting to ₹ 1366068/- { related to work falling under	3002-03--(10)	5002-03-20-6400	1366068	Yes	NO	Booked to Revenue(Voted) instead of Capital (Voted)

		Capital/DRF/DF(i.e under gr. No. 16} paid to M/s RITES under Grant No. 12 instead of Grant No. 16.						
23	RPU	Misclassification due to wrong booking of pay & allowances amounting to ₹10383683/- of Work Charged post under Grant No.16 (Capital) instead of Grant No.03, Grant No.11 & Grant No.12 (5873213 + 4232358 + 278112)	5002-03-20-8100	3002-03	10383683	Yes	NO	Booked to Capital (Voted) instead of Revenue (Voted)
24	RPU	Misclassification due to irregular booking of car hire charges amounting to ₹2493707/-under Grant No.16 instead of Grant No.07 though the estimate was sanctioned under Revenue Grant No.07.	5002-03-20-8100	3002-03--5	2493707	Yes	NO	Booked to Capital (Voted) instead of Revenue (Voted)
25	RPU	Misclassification due to wrong booking of car hire charges of ₹ 1796516/-relating to Revenue portion under Grant No.16 instead of Grant No.07 in spite of clear mention of Revenue and Capital expenditure in the bills.	5002-03-20-8100	3002-03--5	1796516	Yes	NO	Booked to Capital (Voted) instead of Revenue (Voted)
26	RPU	Misclassification due to wrong booking of car hire charges amounting to ₹1712392/- under Grant No.16 instead of Grant No.07.	5002-03-20-8100	3002-03--5	1712392	Yes	NO	Booked to Capital (Voted) instead of Revenue (Voted)
	TOTAL			217885727		Total of items & with impact on Capital Charged is NIL.		

Table2.14-Misclassification of expenditure under Voted and Charged								
S.N.	Zone	Particular of Case	Actually Booked	Should Be Booked	Amount (InUnit)	Impact of Misclassification taken in Explanatory Note	Impact on Capital Charged	Reason for impact/no impact on Capital Charged
1	2	3	4	5	6	7	8	9
1	NCR	Misclassification between Voted and Charged Expenditure	Voted	Charged	3389467	Yes	Yes	Booked to Capital (Voted) instead of Capital (Charged) hence considered
2	SCR	Bills passed during 01.04.2021 to 31.10.21 under project code-11534 "Ginigere Raichur New line" charged Expenditure Under PH-1100 (NL) was wrongly booked as Voted Expenditure	Voted (5002-03-20-1100)	Charged (5002-03-20-1100)	517487	Yes	Yes	Booked to Capital (Voted) instead of Capital (Charged) hence considered
3	SWR	Misclassification of Expenditure amounting to ₹ 76,29,401 /- regarding irregular Booking of RCT Compensation Claim Charges to Voted Expenditure instead of Charged Expenditure	Voted(3002-03-(10))	Charged (3002-03 (10))	7629401	Yes	No	Booked to Revenue(Voted) instead of Revenue (Charged) hence no impact
4	SWR	Misclassification of Expenditure amounting to ₹ 2,25,000/- regarding Arbitration fee booked under DRF as charged expenditure instead of Voted	Charged (5002-03-21)	Voted (5002-03-21)	-225000	Yes	Yes	Booked to Capital (Charged) instead of Capital (Voted) hence reduced (-)
5	SWR	Misclassification of Expenditure amounting to ₹15,000/- regarding Arbitration fee booked under Demand No.3 as charged expenditure instead of Voted	Charge (3002-03)	Voted (3002-03)	15000	Yes	No	Booked to Revenue(Charged) instead of Revenue (Voted) hence no impact

6	WCR	Booking of expenditure incurred on compensation claims to claimant on judgment of Railway Claims Tribunal (RCT) under voted instead of charged.	voted	Charged	486564	Yes	No	Booked to Revenue(Voted) instead of Revenue (Charged) hence no impact
7	SR	Misclassification due to booking of expenditure relating to arbitration award for the value of ₹2,70,573/- under voted instead of charged	3002-03-(01) Voted	3002-03-(01) Charged	270573	Yes	No	Booked to Revenue(Voted) instead of Revenue (Charged) hence no impact
8	SR	Misclassification due to booking of expenditure relating to arbitration award for the value of ₹2,15,485/- under voted instead of charged	3002-03-(01) Voted	3002-03-(01) Charged	215485	Yes	No	Booked to Revenue(Voted) instead of Revenue (Charged) hence no impact
9	RWF	Arbitration fees is booked to charged expenditure instead of Voted expenditure.	5002-03-Charged	5002-03-Voted	-171200	Yes	Yes	Booked to Capital (Charged) instead of Capital (Voted) hence reduced (-)
							Total of items with impact on Capital Charge (COLUMN 6) is ₹ 3510754	