



L.M. VAS

Joint Secretary (Budget)

Ministry of Finance
Department of Economic Affairs
North Block
New Delhi - 110001

October 5, 2007

D.O. F. No.4(14)-B(SD)/2007

Dear

The Second batch of Supplementary Demands for Grants 2007-08 is to be presented to Parliament in the ensuing Winter Session.

2. The following types of Supplementary Demands may only be considered for inclusion in this batch:

- (i) Cases where advances from the Contingency Fund of India have been granted, which are required to be recouped to the fund;
- (ii) Payments against court decree which cannot be postponed;
- (iii) Additional funds which are immediately required and which can be met by re-appropriation of savings in the grant but require prior approval of Parliament under the New Service/New Instrument of Service Rules. In all cases where the savings are available within the same section [Revenue/Capital and Charged/Voted] of the grant, only token supplementary should be proposed. In cases where the savings are available in the Revenue/Capital section or charged/voted section and the expenditure is to be incurred in another section [Revenue/Capital or Charged/voted], full requirement may be proposed as a technical supplementary. It may be noted that the savings, against which the full amount is proposed in a different section, will be committed for surrender and will not be available for re-appropriation.
- (iv) Cases where Ministry of Finance has specifically advised moving of Supplementary Demand in the Winter Session.

3. All other cases may be held over to the third and final batch of Supplementary Demands for the current year.

4. The Public Accounts Committee has commented adversely on cases where Ministries/Departments obtained supplementary grants in earlier years but the final expenditure was less than/in excess of the approved grant. Budget controlling Authority/FAs of concerned Ministries/Departments may, therefore, ensure that the proposals are made on the basis of a thorough objective and realistic assessment of the requirement of additional funds in each case that is proposed for inclusion in 2nd Supplementary Demand for Grants, 2007-08.

5. Proposals along with the draft statement justifying the Supplementary Demands, to be presented to Parliament during the ensuing Winter Session may be forwarded to Budget Division in the prescribed form not later than November 07, 2007 (Wednesday). Wherever necessary, the proposals may be supported by background notes. The actual expenditure incurred upto September 2007 and projected expenditure envisaged between October 2007 and March 2008 on the specific item of expenditure proposed for inclusion in the 2nd Supplementary may be invariably given. Submission of proposals by the stipulated date may kindly be strictly adhered to so as to allow sufficient time for processing in Ministry of Finance and completion of other formalities for approval for placing before Parliament, well before the start of the Session. It has also been noted in the past that some proposals for inclusion in the supplementary are not received in the proper format, essential details are missing and the approval of the competent authority has not been obtained on the proposal. Incomplete proposals/proposals submitted beyond the stipulated date that are not included for these reasons, in the Second Batch of Supplementary Demands for Grants, will be the responsibility of the Ministry/Department concerned.

6 Cases which are required to be reported to Parliament, in terms of the guidelines circulated with the Ministry's OM No F.1(23)-B(AC)/2005 dated 25th Mar, 2006 may also be furnished to Budget Division in a summarized form by the stipulated date indicated in para 5 above.

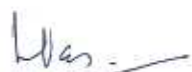
7. The supplementary proposal may also include the details of actual expenditure incurred upto end September 2007 (duly vetted by CCA of the Ministry/Department) and the projected expenditure from October 2007 till March 2008 for the entire grant, under Voted/Charged categories and also under Revenue/Capital Sections.

8. If there is no proposal for this batch, a NIL report may kindly be sent.

9. The proposals in complete form as envisaged above may please be furnished by the due date, and addressed by name to Shri V. Prakash, Deputy Director (Budget), Ministry of Finance, Department of Economic Affairs, Room No 237, North Block, New Delhi (Tel No: 2309 2916).

With regards,

Yours sincerely,


(L.M. Vas)

To
All FAs
Ministries/Departments