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Assam Don Bosco University Public Financial Administration
PUBLIC FINANCIAL ADMINISTRATION

SYLLABI-BOOK MAPPING TABLE Public Financial Administration BLOCK I: MEANING, NATURE AND SIGNIFICANCE UNIT 1: Financial Administration - Meaning - Nature and Significance UNIT 2: Budget and its Types - Social and Economic Implications. BLOCK II: BUDGETARY PRINCIPLES AND TYPES UNIT 3: Different Principles of Budget - Types of Budget UNIT 4: Performance Budgeting: Growth of the Concept - Meaning- Objectives - Advantages UNIT 5: Zero Based Budgeting: Growth of the Concept - Meaning- Objectives - Advantages UNIT 6: Plan Programme Budgeting System: Growth of the Concept - Meaning-Objectives - Advantages BLOCK III: BUDGET PREPARATION AND ENACTMENT UNIT 7:

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Preparation of the Budget Process - Enactment of the Budget Process UNIT 8: Execution of the Budget

Process - Public Borrowings and Deficit Financing UNIT 9: Sunset Legislation - Top-Down Budgeting BLOCK IV: CONTROL OVER PUBLIC FUND UNIT 10: Composition, Powers and Functions of Public Accounts Committee - Estimates Committee UNIT 11: Organisation and Functions of Central Finance Ministry in India BLOCK V: AUDIT AND ACCOUNTS OF PUBLIC FUND UNIT 12: Collection, Custody and Disbursement of Public Funds UNIT 13: Accounting and Audit - Meaning - Role - Separation of Accounts and Audit System UNIT 14: Comptroller and Auditor General of India - Comptroller General of Accounts - Role and Functions Syllabi Mapping in Book Unit 1: Financial Administration (Pages 1-10); Unit 2: Budget (Pages 11-18) Unit 3: Types and Principles of Budget (Pages 19-27); Unit 4: Performance Budgeting (Pages 28-33); Unit 5: Zero Based Budgeting (Pages 34-39); Unit 6: Plan Programme Budgeting System (Pages 40-47) Unit 7: Preparation of the Budget Process (Pages 48-66); Unit 8: Execution of the Budget Process (Pages 67-83); Unit 9: Sunset Legislation and Top-Down Budgeting (Pages 84-88) Unit 10: Public Accounts Committee and Estimates Committee (Pages 89-97); Unit 11: Organization and Functions of Central Finance Ministry in India (Pages 98-107) Unit 12: Collection, Custody and Disbursement of Public Funds (Pages 108-136); Unit 13: Accounting and Audit (Pages 137-142); Unit 14: Comptroller and Auditor General of India (Pages 143-172)

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financial administration studies the role of the government in the economy. It is the definitive branch of economics which assesses the Government revenue and Government expenditure of the Public Authorities and the adjustment of one or the other to achieve desirable effects and avoid undesirable ones.

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financial administration studies the role of the government in the economy. It is the definitive branch of economics which assesses the Government revenue and Government expenditure of the Public Authorities and the adjustment of one or the other to achieve desirable effects and avoid undesirable ones.

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It is a subject which has the distinction of intimate interaction between theory and practice. As such it acquires a meaning and usefulness only in the context of institutional framework of the economy

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with reference to which it is being studied. The theoretical concepts and policy applications in public finance feed upon and grow out of each other.

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with reference to which it is being studied. The theoretical concepts and policy applications in public finance feed upon and grow out of each other.

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No single theoretical model can adequately fit in the framework of every economy since its institutional framework is a thing unique to itself. It is important, therefore, that the discussion of public finance should be in the context of a single economy.

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No single theoretical model can adequately fit in the framework of every economy since its institutional framework is a thing unique to itself. It is important, therefore, that the discussion of public finance should be in the context of a single economy.

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Public financial administration has a direct influence on the overall quality of life of the masses. It is concerned with that part of the government which is action-oriented. Recent years have witnessed a heated debate on several theoretical and policy issues covering several segments of public finance, including the role of fiscal policy. Pleas are being made for a thorough restructuring of its various theoretical and policy premises and the framework within which these should be conducted. Exponential growth and transformation in global financial system and worldwide meltdown caused by it have fuelled rethinking on the role of fiscal policy with a special focus on economic stability and growth—both in developed and developing countries. India, like the rest of the world, has also been deeply affected by these developments.

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This book, Public Financial Administration , is written with the distance learning student in mind. It is presented in a user-friendly format using a clear, lucid language. Each unit contains an Introduction and a list of Objectives to prepare the student for what to expect in the text. At the end of each unit are a Summary and a list of Key Words, to aid in recollection of concepts learnt. All units contain Self Assessment Questions and Exercises, and strategically placed Check Your Progress questions so the student can keep track of what has been discussed.

NOTES Self-Instructional Material 1

Financial Administration BLOCK - I MEANING, NATURE AND SIGNIFICANCE UNIT 1 FINANCIAL ADMINISTRATION

Structure 1.0 Introduction 1.1 Objectives 1.2 Meaning and Nature of Financial Administration 1.2.1 Significance of Financial Administration 1.3 Answers to Check Your Progress Questions 1.4 Summary 1.5 Key Words 1.6 Self Assessment Questions and Exercises 1.7 Further Readings 1.0 INTRODUCTION

Financial administration is responsible for the budgeting and spending of public money. Administration and finance are dependent on one another. Five agencies play an important role in the financial administration of India. These are the Executive, the Legislature,

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the Finance Commission, the Indian Audit and Accounts Department and the Parliamentary Committees.

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the Finance Commission, the Indian Audit and Accounts Department and the Parliamentary Committees.

In recent times, there has been an increased focus on planned development. Therefore, the role of financial administration has also become important. This unit will

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discuss in detail the role of the Executive and the Legislature.

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discuss in detail the role of the Executive and the Legislature.

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The functions of the Finance Ministry and the significance of financial administration

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The functions of the Finance Ministry and the significance of financial administration

will also be discussed. 1.1

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OBJECTIVES After going through this unit, you will be able to: ?Understand the meaning and nature of financial administration ? Discuss in detail the role of the Executive and the Legislature in financial administration ?Explain the significance of financial administration Financial Administration

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OBJECTIVES After going through this unit, you will be able to: ?Understand the meaning and nature of financial administration ? Discuss in detail the role of the Executive and the Legislature in financial administration ?Explain the significance of financial administration Financial Administration

NOTES Self-Instructional 2 Material 1.2 MEANING AND NATURE OF

FINANCIAL ADMINISTRATION Administration and finance are two inseparable items. All administrative activities involve expenditure of some kind. Without finance, administrative machinery becomes inoperative. On the other hand, finance too has to depend on administration. To be specific, all financial transactions and expenditure, in order to be documented properly, should be administered or executed by efficient means.

The term financial administration is used in a broad sense to include all expenses involved in collecting, budgeting, appropriating and expending public money.

It also includes auditing income, expenditures, receipts and disbursements and accounting

for funds needed to be expended on public services. Thus, financial administration touches the very basic of socio-economic welfare

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of the people. Financial administration is a dynamic process that involves an on-going chain of operations, performed by the following agencies: (i) The Executive (primarily the Finance Ministry), which needs funds (ii) The Legislature, which alone can grant funds (

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of the people. Financial administration is a dynamic process that involves an on-going chain of operations, performed by the following agencies: (i) The Executive (primarily the Finance Ministry), which needs funds (ii) The Legislature, which alone can grant funds (

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iii) The Finance Commission (iv) The Indian Audit and Accounts Department (v) The Parliamentary Committees

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iii) The Finance Commission (iv) The Indian Audit and Accounts Department (v) The Parliamentary Committees

Administration and finance are mutually dependent on each other. For performing administrative activities, we need finance, whereas, for proper documentation of all financial transactions and expenditures we need proper administration. So we use the term financial administration, when we talk about all expenses related to collecting, budgeting, appropriating and expending public money. It is also responsible for auditing income, expenditure, receipts and accounts of funds that are need to be expended on public services.

It plays an important role in the socio-economic welfare of the people.

The

Executive: Role of the President and Finance Ministry Being the chief executive

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of the Indian union, the executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him

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of the Indian union, the executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him

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the executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him or her, in accordance with the Constitution (Article 53). ?The

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the executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him or her, in accordance with the Constitution (Article 53). ?The

President has control over the purse of the nation. The annual budget has to be placed before the President before being introduced in the Parliament. ?The President has been authorized by Article 280 to appoint a Finance Commission consisting of a chairman and other members. The members of the Finance Commission are elected after every five years, or earlier, if necessary. NOTES Self-Instructional Material 3 Financial Administration ? The President has also been given control over the Contingency Fund of India. He or she can advance money from this fund to the Government of India for meeting unexpected expenditures. ?Certain money bills (Article 110) and bills affecting the taxation in which states are interested (Article 274) are reserved by the state Governors for the approval by the President. The Cabinet controls the financial policy of the Union executive. It is the Finance Minister who submits the budget to the Parliament. The Parliament approves the budget-expenditure and revenue items in its original form with the support of a subservient majority. Finance Ministry

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The Finance Ministry is an important ministry within the Government of India. It is the leading state administration institution in the field of finances. It develops financial policy, coordinates and organizes its implementation, as well as performs other functions stated in the external regulatory enactments.

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The Finance Ministry is an important ministry within the Government of India. It is the leading state administration institution in the field of finances. It develops financial policy, coordinates and organizes its implementation, as well as performs other functions stated in the external regulatory enactments.

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Taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget are the

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Taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget are the

primary concerns of this ministry. The functions of the Finance Ministry may be summarized as follows: ?It develops and implements the following policies: o State budget and finance management policy o Customs policy o Tax and duties system policy o State and local governments procurements policy o State aid control policy o Internal audit policy o Policy of remuneration for public sector employees o Policies in accountancy fields o Ensures observance of common principles in budget administration. ?It provides methodological assistance regarding budget preparation and implementation issues. ?At the state budget planning stage, it performs the following functions: o Prepares the state budget sections on subsidies and earmarked grants for local governments o Evaluates correspondence of the approved budgets to the regulatory requirements o Analyses performance indicators of local governments Financial Administration NOTES Self-Instructional 4 Material o

Performs calculations regarding equalization of local government finances o Prepares draft protocol of agreements and disputes between the Cabinet of Ministers and Latvian Association of Local and Regional Governments ?It provides control numbers regarding State Investment Program and total state budget investment amount. It evaluates financially economical justification of these projects, as well as monitors utilization of state budget resources during the implementation of the projects. ?It develops long-term, short-term and medium-term macroeconomic development scenarios and provides fiscal policy justification for the state budget forecasts. ?It reviews, adds and specifies customs tariff objects, arranges and updates the Harmonized Commodity Description and Coding System, Latvian Combined Nomenclature and TARIC Classificatory. ?It develops, implements, coordinates, maintains and updates unified accounting system of remunerations for employees of institutions financed from the state budget. ?It coordinates attraction of foreign financial assistance resources and monitors their utilization. The Legislature India has a parliamentary form of government. The Indian

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Parliament or the Union Legislature, the supreme legislative body in the country, comprises two Houses— Lok Sabha (House of the People) and Rajya Sabha (Council of States). The main function of both the Houses is to pass laws. The law proposal originates in the Parliament in the form of a bill. There are four types of bills that come up before the Parliament, namely ordinary or non-money bill,		
95%	MATCHING BLOCK 33/536	SA CC-PA-10.pdf (D164996485)
Parliament or the Union Legislature, the supreme legislative body in the country, comprises two Houses— Lok Sabha (House of the People) and Rajya Sabha (Council of States). The main function of both the Houses is to pass laws. The law proposal originates in the Parliament in the form of a bill. There are four types of bills that come up before the Parliament, namely ordinary or non-money bill,		
100%	MATCHING BLOCK 34/536	SA CC-PA-10.pdf (D165362592)
bill, money bill, constitution amendment bill and budget. Of these four types of bills, money bill and budget pertain to financial administration. Article 110 clearly defines what constitutes a 'money bill'. The Speaker of the Lok Sabha certifies whether a bill is a 'money bill' or a non-money bill. Money bill can be introduced, only along with the prior recommendation of the President, in the Lok Sabha and not in the Rajya Sabha. The Rajya Sabha cannot reject the money bill. It can only make recommendations.		
100%	MATCHING BLOCK 35/536	SA CC-PA-10.pdf (D164996485)
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62%	MATCHING BLOCK 36/536	SA CC-PA-10.pdf (D165362592)
Every year, the budget is presented before the Lok Sabha. The Finance Ministry prepares the budget.		
62%	MATCHING BLOCK 38/536	SA CC-PA-10.pdf (D164996485)
Every year, the budget is presented before the Lok Sabha. The Finance Ministry prepares the budget.		
The budget is presented in two parts: (a) Railway Budget and (b) General Budget.		
77%	MATCHING BLOCK 37/536	W
Railway budget is presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget		
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presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget passes through various stages.		

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presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget passes through various stages.

NOTES Self-Instructional Material 5 Financial Administration The discussion on budget in Parliament is done through two stages: (a) General discussion and (b) demands for grants for each ministry. In the 'general discussion', the general economic policy is discussed and there is no detailed discussion on taxation and expenditures in both the Houses of the Parliament. In these discussions, both Houses express their opinion regarding the economic policy of the government and a general appraisal of the economic policy is made. Here, it should be noted that the Rajya Sabha also discusses the budget; however, it cannot go beyond general discussion. The next stage is the appropriation bill, which incorporates all the demands for grants voted by the Lok Sabha and the expenditures charged on the Consolidated Fund of India. The bill seeks the legal authority to be given to government to appropriate expenditure from and out of the Consolidated Fund of India. Finance Bill It contains government proposals for raising revenues. The move to introduce a finance bill cannot be opposed and it is forthwith put to vote. This bill has to be considered and

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passed by the Parliament and assented to by the President within 75 days

after it is introduced. Passing of the finance bill is the final act of Parliament's financial procedure. Vote on Account Sometimes, the Lok Sabha passes the Vote on Account. A vote on Account stays valid for two months, when the passage of budget is delayed for some reason. During an election year, it is valid for 3–4 months. As a convention, vote on account is treated as a formality and passed by the Lok Sabha without discussion. Thus, the House is able to consider the Budget at a convenient time. 1.2.1 Significance of Financial Administration The term 'financial administration' refers to some sort of accountability, regularity and well-coordinated method of revenue and expenditure. Every act of government in regard to the collection of revenue and expenditure of the same should essentially conform to democratic principles and methods. Hence the financial administration has a special meaning and reference in democracy. The government cannot do anything in monetary things disregarding the written rules and procedures.

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The financial administration is very significant aspect of public administration because the running or management of administration is not possible without money or finance and for that reason the financial administration occupies the centre of public administration. The Ministry of Finance

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The financial administration is very significant aspect of public administration because the running or management of administration is not possible without money or finance and for that reason the financial administration occupies the centre of public administration. The Ministry of Finance

is an important ministry within the Government of India. It

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concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. The Union Finance Ministry of India comprises five departments— Department of Financial Administration NOTES Self-Instructional 6 Material Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments.

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concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. The Union Finance Ministry of India comprises five departments— Department of Financial Administration NOTES Self-Instructional 6 Material Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments.

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Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of

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Comptroller and Auditor General of India controls the entire financial system of the country — at the Union and as well at the state levels (

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Comptroller and Auditor General of India controls the entire financial system of the country — at the Union and as well at the state levels (

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Comptroller and Auditor General of India controls the entire financial system of the country — at the Union and as well at the state levels (

Art. 148). He/she is the guardian of the purse and it is his/her

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duty to see that not a single paisa is spent from the Consolidated Fund of India or of a State without the authority of the appropriate legislature. In

a democratic country like India, there is universal acceptance of the notion of 'parliamentary' control over public purse'. The people, through their representatives have the power to control where public funds are spent. Thus,

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financial administration is an instrument of 'modern governments for making "popular sovereignty" a social reality. The concept of planned development has enabled public administrators to play an active and dynamic role in the formulation and implementation of development schemes and projects. The time and cost of implementing these projects have become critically important. The accent of financial administration has shifted from one of controlling the disbursement of funds to one of management of various development projects and programmes. The rise of performance budgeting and other related budgetary innovations represent remarkable achievements of financial administration in meeting this challenge. From the 1980 onwards, resource crunch has become a very serious problem. While there is

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tremendous pressure on the governments to increase their expenditure outlays to meet the ever expanding ambitions and demands of the people, the taxpayers are unable or unwilling to bear additional tax burdens. In this dilemma, a need has arisen for a careful prioritisation of public expenditure. Hence, a study of financial administration and management which are a part of public administration has become important to seek out ways for eliminating unwanted expenditure and ensuring optimisation of output on a limited resource base. Zero based budgeting is an attempt in this direction.

To sum up, financial administration is playing a dominant role in modern times. Check Your Progress 1. What are the five agencies responsible for financial administration in India? 2. Who appoints the chairman of the Finance Commission? 3. What are the primary concerns of the Finance Ministry? 4. List the four types of bills presented before the parliament. 5. What are the two parts in which a budget used to be presented? 6. Why is financial administration considered the centre of public administration? 7. Name the five departments that are part of the Union Finance Ministry of India.

NOTES Self-Instructional Material 7 Financial Administration 1.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1. The five agencies responsible for financial administration in India are as follows: ?
The Executive (primarily the Finance Ministry) ?The Legislature ?

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The Finance Commission ?The Indian Audit and Accounts Department ?The Parliamentary Committees 2. The chairman of the		
81%	MATCHING BLOCK 54/536	SA CC-PA-10.pdf (D164996485)
The Finance Commission ?The Indian Audit and Accounts Department ?The Parliamentary Committees 2. The chairman of the Finance Commission is appointed by the President. 3.		
91%	MATCHING BLOCK 55/536	SA CC-PA-10.pdf (D165362592)
Taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget are the		
91%	MATCHING BLOCK 56/536	SA CC-PA-10.pdf (D164996485)
Taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget are the primary concerns of the Finance Ministry. 4.		
88%	MATCHING BLOCK 57/536	SA CC-PA-10.pdf (D165362592)
There are four types of bills that come up before the Parliament, namely ordinary or non-money bill,		
88%	MATCHING BLOCK 58/536	SA CC-PA-10.pdf (D164996485)
There are four types of bills that come up before the Parliament, namely ordinary or non-money bill, money bill, constitution amendment bill and		
68%	MATCHING BLOCK 59/536	SA Public financial administration.docx (D166323443)
budget. 5. The budget used to be presented in two parts: Railway Budget and General Budget. 6. The		
100%	MATCHING BLOCK 60/536	SA CC-PA-10.pdf (D165362592)
The financial administration is considered the centre of public administration		
100%	MATCHING BLOCK 61/536	SA CC-PA-10.pdf (D164996485)
The financial administration is considered the centre of public administration as it is impossible to run or manage an administration without money or finance. 7.		
85%	MATCHING BLOCK 63/536	SA CC-PA-10.pdf (D165362592)
The Union Finance Ministry of India comprises five departments— Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments. 1.4		

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The Union Finance Ministry of India comprises five departments— Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments. 1.4

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departments— Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of

SUMMARY ?

The term financial administration is used in a broad sense to include all expenses involved in collecting, budgeting, appropriating and expending public money.

It also includes auditing income, expenditures, receipts and disbursements and accounting for funds needed to be expended on public services. ?

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Financial administration is a dynamic process that involves an on-going chain of operations, performed by the following agencies: i. The Executive (primarily the Finance Ministry), which needs funds

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Financial administration is a dynamic process that involves an on-going chain of operations, performed by the following agencies: i. The Executive (primarily the Finance Ministry), which needs funds

Financial Administration NOTES Self-Instructional 8 Material

ii. The Legislature, which alone can grant funds

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iii. The Finance Commission iv. The Indian Audit and Accounts Department v. The Parliamentary Committees ?The executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him or her, in accordance with the Constitution (Article 53). ?The Finance Ministry is an important ministry within the Government of India. It is the leading state administration institution in the field of finances. It develops financial policy, coordinates and organizes its implementation, as well as performs other functions stated in the external regulatory enactments. ?India has a parliamentary form of government. Our Parliament or the Union Legislature, the supreme legislative body in the country, comprises two Houses— Lok Sabha (House of the People) and Rajya Sabha (Council of States). ?The main function of both the Houses of parliament is to pass laws. The law proposal originates in the Parliament in the form of a bill. There are four types of bills that come up before the Parliament, namely ordinary or non- money bill,

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iii. The Finance Commission iv. The Indian Audit and Accounts Department v. The Parliamentary Committees ?The executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him or her, in accordance with the Constitution (Article 53). ?The Finance Ministry is an important ministry within the Government of India. It is the leading state administration institution in the field of finances. It develops financial policy, coordinates and organizes its implementation, as well as performs other functions stated in the external regulatory enactments. ?India has a parliamentary form of government. Our Parliament or the Union Legislature, the supreme legislative body in the country, comprises two Houses— Lok Sabha (House of the People) and Rajya Sabha (Council of States). ?The main function of both the Houses of parliament is to pass laws. The law proposal originates in the Parliament in the form of a bill. There are four types of bills that come up before the Parliament, namely ordinary or non- money bill,

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The executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him

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The executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him

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bill, money bill, constitution amendment bill and budget. Of these four types of bills, money bill and budget pertain to financial administration. Article 110 clearly defines what constitutes a 'money bill'. The Speaker of the Lok Sabha certifies whether a bill is a 'money bill' or a non-money bill. Money bill can be introduced, only along with the prior recommendation of the President, in the Lok Sabha and not in the Rajya Sabha. The Rajya Sabha cannot reject the money bill. It can only make recommendations. ?

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bill, money bill, constitution amendment bill and budget. Of these four types of bills, money bill and budget pertain to financial administration. Article 110 clearly defines what constitutes a 'money bill'. The Speaker of the Lok Sabha certifies whether a bill is a 'money bill' or a non-money bill. Money bill can be introduced, only along with the prior recommendation of the President, in the Lok Sabha and not in the Rajya Sabha. The Rajya Sabha cannot reject the money bill. It can only make recommendations. ?

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Every year, the budget is presented before the Lok Sabha. The Finance Ministry prepares the budget.

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Every year, the budget is presented before the Lok Sabha. The Finance Ministry prepares the budget.

The budget is presented in two parts: (a) Railway Budget and (b) General Budget.

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Railway budget is presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget

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presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget passes through various stages. ?

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MATCHING BLOCK 77/536

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presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget passes through various stages. ?

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The financial administration is very significant aspect of public administration because the running or management of administration is not possible without money or finance and for that reason the financial administration occupies the centre of public administration. The Ministry of Finance

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The financial administration is very significant aspect of public administration because the running or management of administration is not possible without money or finance and for that reason the financial administration occupies the centre of public administration. The Ministry of Finance

is an important ministry within the Government of India.

It

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concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. ?The Union Finance Ministry of India comprises five departments—			
100%	MATCHING BLOCK 81/536	SA	CC-PA-10.pdf (D164996485)
concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. ?The Union Finance Ministry of India comprises five departments—			
NOTES Self-Instructional Material 9 Financial Administration			
70%	MATCHING BLOCK 82/536	SA	Public financial administration.docx (D166323443)
Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of			
77%	MATCHING BLOCK 83/536	SA	CC-PA-10.pdf (D165362592)
Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments. ?			
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Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments. ?			
100%	MATCHING BLOCK 85/536	SA	CC-PA-10.pdf (D165362592)
Comptroller and Auditor General of India controls the entire financial system of the country — at the Union and as well at the state levels. 1.5			
68%	MATCHING BLOCK 86/536	W	
Comptroller and Auditor General of India controls the entire financial system of the country — at the Union and as well at the state levels. 1.5			
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Comptroller and Auditor General of India controls the entire financial system of the country — at the Union and as well at the state levels. 1.5			
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KEY WORDS ?Audit: It is an objective examination and evaluation of the financial statements to make sure that the financial records are fair and accurate. ?Subsidies: It is a benefit given to an individual, business, or institution, usually by the government. It is usually in the form of a cash payment or a tax reduction. ?			
100%	MATCHING BLOCK 89/536	SA	CC-PA-10.pdf (D164996485)
KEY WORDS ?Audit: It is an objective examination and evaluation of the financial statements to make sure that the financial records are fair and accurate. ?Subsidies: It is a benefit given to an individual, business, or institution, usually by the government. It is usually in the form of a cash payment or a tax reduction. ?			
100%	MATCHING BLOCK 93/536	SA	CC-PA-10.pdf (D165362592)
Budget: It is an estimation of revenue and expenses over a specified future period of time and is utilized by governments, businesses, and individuals. A budget is basically a financial plan for a defined period. ?Zero-based budgeting: It is a method of budgeting in which all expenses must be justified for each new period. 1.6			

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Budget: It is an estimation of revenue and expenses over a specified future period of time and is utilized by governments, businesses, and individuals. A budget is basically a financial plan for a defined period. ?Zero-based budgeting: It is a method of budgeting in which all expenses must be justified for each new period. 1.6

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is an estimation of revenue and expenses over a specified future period of time and is

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an estimation of revenue and expenses over a specified future period

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A budget is basically a financial plan for a defined period. ?

SELF ASSESSMENT QUESTIONS AND EXERCISES Short-Answer

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Questions 1. What are the financial powers of the President of India? 2. What is the role of the legislature in the financial administration of the country? 3. Write a short note on the bills that pertain to financial administration. 4. What is a vote on account?

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Questions 1. What are the financial powers of the President of India? 2. What is the role of the legislature in the financial administration of the country? 3. Write a short note on the bills that pertain to financial administration. 4. What is a vote on account?

Long-Answer

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Questions 1. Discuss the functions of the Finance Ministry. 2. Examine the significance of financial administration. 1.7

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Questions 1. Discuss the functions of the Finance Ministry. 2. Examine the significance of financial administration. 1.7

FURTHER READINGS

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NOTES Self-Instructional Material 11 Budget UNIT 2 BUDGET Structure 2.0 Introduction 2.1 Objectives 2.2 Budget and its Types 2.2.1 Social and Economic Implications 2.3 Answers to Check Your Progress Questions 2.4 Summary 2.5 Key Words 2.6 Self Assessment Questions and Exercises 2.7 Further Readings 2.0 INTRODUCTION The Union

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Budget is presented by the Finance Minister on the last working day of

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Budget is presented by the Finance Minister on the last working day of

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by the Finance Minister on the last working day of February

to the Parliament. Although the budget system was introduced in 1860, the first budget was presented by R.K. Shanmugham Chetty on 26 November 1947. A government budget is an annual financial statement showing item wise estimates of expected revenue and anticipated expenditure during a fiscal year. The popular types of budget in India are balanced budget revenue budget, performance budget, zero base budget, capital budget and receipt budget. This unit will discuss the salient features of a budget. The social and economic objectives that should be fulfilled have also been discussed. 2.1

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OBJECTIVES After going through this unit, you will be able to: ?Discuss the

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OBJECTIVES After going through this unit, you will be able to: ?Discuss the

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OBJECTIVES After going through this unit, you will be able to: ?Discuss the

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OBJECTIVES After going through this unit, you will be able to: ?Discuss the

Union budget of India ?Examine the various types of budget ?Explain the social and economic implications of a budget 2.2 BUDGET AND ITS TYPES An important component of the financial administration of a nation state is the budget. A budget made by the government is known as government budget. In simple words it is like a household budget which contains the details regarding the income and expenditure of a household. In case of government budget, the expenditures and receipts of the government are mentioned for the coming fiscal year.

Budget NOTES Self-Instructional 12 Material In India, the 'Budget System' was introduced on 7 April 1860. Sir James Wilson gave the first budget speech on the Indian Financial Policy and he was the first Indian Finance Member. In Independent India, Shri R.K. Shanmugham Chetty, the first Finance Minister post-independence, presented the first budget on 26 November 1947. The budgeting reforms were processed through Five Year Plans which later divided into annual plans. The finance commissions of India developed sound systems of dividing resources among centre and states. The existing system of making budgets is an outcome of development through the years. The purpose of making budgets by the government is to use the public resources efficiently. The constitution of India uses the term 'Annual Financial Statement' for the main budgetary document of Government of India. In government budget, the government's plans for expenditures are recorded and then sources to raise funds are identified in order to meet the planned expenditures. The government budget is made for one fiscal year or financial year. In India, the fiscal or financial year of government starts on April 1 and ends on March 31 the next year. For example, fiscal/financial year 2019-20 started on 1 April 2019 and ended on 31 March 2020. The period of April to March as a financial year was introduced in India from 1867. Before that, the financial year used to commence on May 1 and end on 30 April. The L. K. Jha Committee was appointed in May 1984 to look into the matter of financial year. The Committee recommended the commencement of financial year from January because of the impact of South West monsoon on the Indian economy. The committee also recommended that despite the benefits of change in financial year, it would be better to continue with the existing financial year to avoid many problems. A government has to spend on social welfare, defence, subsidies, maintenance of law and order and many other development activities. Its sources of incomes are mainly taxes and then through different fees and collection of fines or penalties, dividend received by public sector, and any interest income received from the funds lent to state governments. A government budget is an annual financial statement showing item wise estimates of expected revenue and anticipated expenditure during a fiscal year. According to Article 112 of the Indian Constitution, the Union budget of a year, also referred to as the

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annual financial statement, is a statement of the estimated receipts and expenditure of the government

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is a statement of the estimated receipts and expenditure of the government for that particular year.

In other words, government budget is a legal document passed by the legislature of India and approved by the chief executive or President of India.

The basic elements of a Budget are the revenues and expenses.

The basic purpose of government budget is to make optimum allocation of scarce resources considering the socio-political considerations. The following is important to know about government budget in India: ?The Union budget of India is also known as

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general budget. ?It is presented each year on the last working day of February. ?It is

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each year on the last working day of February. ?It is presented by the Finance Minister

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each year on the last working day of February. ?It is presented by the Finance Minister

of India to Parliament.

NOTES Self-Instructional Material 13 Budget ?

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Article 112 of the Constitution of India speaks about presentation of annual financial statement of

government in Parliament. The Union budget of India is represented through 14 documents. The budget preparation in India is an iterative process between the Ministry of Finance, Planning Commission and the spending ministries. The following are the salient features of Union Budget in India:

- Cash basis:** The budget is prepared on the principle of cash basis. Whatever is expected to be actually received or paid under proper sanction during a financial year (including arrears of the past years) should be budgeted in that year.
- Rule of lapse:** All appropriations granted by the Parliament expire at the end of financial year and no deduction of unspent budget can be appropriated for meeting the demands in the next financial year. Thus, all unutilized funds within the year 'lapse' at the end of the financial year.
- Realistic estimation:** It is essential that the provisions in the budget should be restricted to the amount required for actual expenditure. The finance ministry is interested in seeing that the department does not obtain more or less money than what they really need. If a department is allotted funds which it does not need, it will deprive other departments from getting the required resources.
- Budget to be on gross/net basis:** Budget is prepared both on the gross basis and net basis. The gross figures of receipts and expenditure of the government are reflected separately for voting by Parliament and the departments/ministries are normally not permitted to utilize the receipts or deduct expenditure in their budget proposals. Net basis of budgeting is done in case of some grants, e.g., defence ordinance factories, and department of posts wherein the departmental receipts are allowed to be utilized and outlays on gross as well as net basis are reflected.
- Form of estimates to correspond to accounts :** It is essential that the form in the budget estimates correspond to that of government accounts as it is from these accounts that the performance of the government is judged and the estimation for subsequent year is done. If these are prepared in different forms, financial control will also become difficult.
- Estimates to be on departmental basis:** Each department prepares estimates for receipts and expenditure separately.

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Generally, one demand or grant is allocated in respect of each ministry/department. In case of certain large departments/ministries, more than one demand

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grant is allocated in respect of each ministry/department. In case of certain large departments/ministries, more than one demand

for grants is allocated in terms of general financial rules. Main elements of a budget The main elements of a budget are: It is a statement of estimates of government receipts and expenditure.

Budget NOTES Self-Instructional 14 Material Budget estimates pertain to a fixed period, generally for

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a financial year. Expenditure and sources of finance are planned in accordance with the objectives of the government. ?

It requires to be approved (passed) by Parliament or Assembly or some other authority before its implementation. Types of Budgets There is no set formula for categorizing the budgets. It depends on the practice and requirement of a specific organization or sovereign how they want to classify the budgets. In India, the following are more popular types and forms of budgets in practice:

- Balanced budget :** As the name suggests, a balanced budget is a budget in which revenues are equal to expenditures. This implies that taxes on income and expenditure, etc., are sufficient to meet payments for goods and services. However, balanced budget is not an ideal type of budget as argued by economist John Maynard Keynes.
- Revenue budget :** Revenue budget includes the government's revenue receipts and expenditure. There are two kinds of revenue receipts — tax and non-tax revenue. Revenue expenditure is the expenditure incurred on day to day functioning of the government and on various services offered to citizens. If revenue expenditure exceeds revenue receipts, the government incurs a revenue deficit.
- Performance budget :** It is also called outcome budget. This is prepared by all the ministers who deal with development activities of the nation. This type of budget is specifically preferred for major central sector projects/ programs. It also includes the performance of each public sector working in India.
- Zero Based Budgeting (ZBB) :** This type of budgeting has no base. It starts the making of budgets from 'scratch'. It requires the managers to justify each and every transaction made in ZBB. Generally zero base budgets are used as supplementary to the traditional system of budgeting.
- Capital budget :** Capital budget includes capital receipts and payments of the government. Loans from public, foreign governments and RBI form a major part of the government's capital receipts. Capital expenditure is the expenditure on development of machinery, equipment, building, health facilities, education etc. Fiscal deficit is incurred when the government's total expenditure exceeds its total revenue.
- Receipts budget :** The document provides an abstract of receipts at the very beginning followed by details of tax revenue, non-tax revenue and capital receipts. The receipts budget estimates the receipts included in the

NOTES Self-Instructional Material 15 Budget annual financial statement and these

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are further analysed in the document 'receipts budget'. The document provides details regarding tax and non- tax revenue receipts and capital receipts and explains the estimates. 2.2.1

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Social and Economic Implications The philosophy of 'laissez-faire' is used to govern and administer the activities in a state. Earlier, budget was considered merely a medium of management for state finances.

However, this outlook changed in contemporary times, due to

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industrial growth and prosperity. Progress and welfare of a nation is now looked upon by the government under complex circumstances. Thus, preparing a budget that suits the welfare of the society is vital for the state. The social and economic objectives which need to be realised are as follows: ?Increase in production ?Addressing inequalities of income and wealth distributions ?Taking care of inflation which may be caused through a variety of circumstances such as war or natural calamity ?

Ensuring

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full employment Production can be increased by protecting the industrial and agricultural sectors and allowing subsidies. Inequalities in distribution of wealth and income can be addressed by imposing taxes on people with large incomes. The income thus earned can be used in providing social services such as health and education, and houses for the poor sections of society. Similarly, inflation which is caused because of issuing vast amount of paper money, especially during war times can be fought by heavy taxation and borrowing money which in turn curtails the purchasing power. This method, however, is criticised and thus needs to be implemented with care and only during emergency.

Check Your Progress 1. When was the Budget System introduced in India? 2. Who gave the first budget speech on Indian Financial Policy? 3. When was the first budget presented? 4. When is the Union Budget presented to the Parliament? 5. Define revenue expenditure. 6. Which budget is also known as the outcome budget? 7. How can the inequality in distribution of income and wealth be tackled?

Budget NOTES Self-Instructional 16 Material 2.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1.

In India, the 'Budget System' was introduced on 7 April 1860. 2. Sir James Wilson gave the first budget speech on the Indian Financial Policy. 3. The first budget was presented on 26 November 1947. 4.

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The Union Budget is presented on the last working day of February. 5. Revenue expenditure is the

expenditure incurred on day to day functioning of the government and on various services offered to citizens. 6. Performance budget is also known as the outcome budget. 7.

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Inequalities in distribution of wealth and income can be addressed through imposing taxes on people with large incomes. The income thus earned can be used in providing social services such as health and education, and houses for the poor sections of society. 2.4

SUMMARY ?An important component of the financial administration of a nation state is the budget. A budget made by the government is known as government budget. ?In case of government budget, the expenditures and receipts of the government are mentioned for the coming fiscal year. ?The purpose of making budgets by the government is to use the public resources efficiently. The constitution of India uses the term 'Annual Financial Statement' for the main budgetary document of Government of India. In government budget, the government's plans for expenditures are recorded and then sources to raise funds are identified in order to meet the planned expenditures. ?The government budget is made for one fiscal year or financial year. In India, the fiscal or financial year of government starts on April 1 and ends on March 31 the next year. ?A government budget is an annual financial statement showing item wise estimates of expected revenue and anticipated expenditure during a fiscal year. ?The basic purpose of government budget is to make optimum allocation of scarce resources considering the socio-political considerations. ?

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The Union Budget is presented on the last working day of February by the Finance Minister

to the Parliament.

NOTES Self-Instructional Material 17 Budget ?The different types of budget in practice in India are balanced budget, revenue budget, performance budget, zero base budget, capital budget and receipt budget. ?The social and economic objectives fulfilled by budget are as follows: a) Increase in production b)

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Addressing inequalities of income and wealth distributions c) Taking care of inflation which may be caused through a variety of circumstances such as war or natural calamity

d) Securing full employment 2.5 KEY WORDS ?Expenditure: It is the amount of money that is spent. ?Balanced budget: It is a budget in which revenue is equal to expenditures. ?Fiscal deficit: It is the difference between the total income of the government and its total expenditure. ?Inflation: It is a general rise in the price level in an economy over a period of time. It leads to a drop in the purchasing power of money. 2.6

SELF ASSESSMENT QUESTIONS AND EXERCISES Short-Answer Questions 1. What is a government budget? 2. What are the elements of a budget? 3. What is a revenue budget? 4. What are the social and economic objectives that should be realised with the budget? Long-Answer Questions 1. Discuss the salient features of the Union Budget in India. 2. Explain the different types of budget in practice in India. 2.7 FURTHER READINGS

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NOTES Self-Instructional Material 19 Types and Principles of Budget BLOCK - II BUDGETARY PRINCIPLES AND TYPES UNIT 3 TYPES AND PRINCIPLES OF BUDGET Structure 3.0 Introduction 3.1 Objectives 3.2 Different Principles of Budget 3.3 Types of Budget 3.4 Answers to Check Your Progress Questions 3.5 Summary 3.6 Key Words 3.7 Self Assessment Questions and Exercises 3.8 Further Readings 3.0 INTRODUCTION

This unit will discuss the key principles of a budget and the different types of budget. A budget is prepared on the basis of certain factors. These factors can be the financial position, kind of method to be used, etc. The requirements of a nation is ascertained and the budget is prepared keeping those requirements in mind. In a country like India, plural budgets are prepared.

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At the Union level, the Railway Budget and the General Budget is presented. The Railway Budget was separated from the General Budget in 1921.

the Railway Budget and the General Budget is presented. The Railway Budget was separated from the General Budget in 1921.

The Railway Budget was separated from the General Budget in 1921.

It has been argued that this step has helped in improving the overall outlook of the Railways. 3.1

OBJECTIVES After going through this unit, you will be able to: ?Understand the

OBJECTIVES After going through this unit, you will be able to: ?Understand the

OBJECTIVES After going through this unit, you will be able to: ?Understand the

OBJECTIVES After going through this unit, you will be able to: ?Understand the various principles of budget ?Discuss the different types of a budget ?Examine the

key documents of the budget presented in India at the Union level

Types and Principles of Budget NOTES Self-Instructional 20 Material 3.2 DIFFERENT PRINCIPLES OF BUDGET Given below are the various principles of a budget: (a) The Principle of Annuality The principle of annuality implies that a budget is prepared on annual basis every year. A year is considered an ideal period for budget as it is an optimum period for which the legislature can give financial authority to the executive. Also, this is ideal for the executive which needs time to ensure effective implementation of budget proposals. Furthermore, a year corresponds with the customary measures of human estimates. (b) Rule of Lapse The rule of lapse implies that the money left unspent in a year must also lapse to the public treasury. The government should not be able to spend the amount unless it is re-sanctioned in next year's budget. This measure is used as an effective tool of financial control. (c) Fiscal Discipline A budget should be balanced and there should be a congruence between income and expenditure. This is known as fiscal discipline. This concept adheres to the Keynesian school of thought. A balanced budget eliminates fiscal deficits and offsets fiscal surplus. (d) Inclusiveness A budget should be inclusive, that is, it should take into consideration the diverse budget estimates. An inclusive budget includes all the government revenue and expenditures. It also helps evaluating the much needed trade-offs between different policy options. (e) Accuracy The budget figures should be accurate and precise. These figures are generated by the Finance Ministry on the basis of data and material from various departments. Budget figures are primarily predictions of the amount of money that is to be generated in the forthcoming year and the expenditure. (f) Transparency and Accountability As per the United Nations, budget transparency and accountability are among the eight basic indicators of good governance. Budget transparency implies that the government should provide all the data that relates to the budget. These two traits of budget also involve ethics on the part of the government. For the sake of clarity and transparency, the revenue and capital portion of the budget are kept separate.

NOTES Self-Instructional Material 21 Types and Principles of Budget Check Your Progress 1. What do you mean by the principle of annuality? 2. What is the rule of lapse? 3.3 TYPES

OF BUDGET The budgets can be of different types. Their classification being based on certain principles which are: ?The estimated period to be covered ?The number of budgets that are to be announced in legislature ?The kind of method to be adopted ?The financial position which is depicted through the budget ?The classification of revenues and expenditures Hence, on the foundation of the above mentioned principles we can propose five types of budgets illustrated in Figure 3.1. Fig. 3.1 Types of Budgets Process of Long-term Budgeting Public budgeting usually is, and has been, annual. The legislature can, thus, have a closer look and can control governmental activities. This in no way means that the government does not want or needs to take a look into the future planning and, therefore, the annual budget has to be proposed with a vision for the future. Long- term budgeting is imperative. So in reality long term budgeting is not an actual

Types and Principles of Budget NOTES Self-Instructional 22 Material

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budget for a certain time period but a process of making provisions for the future and making annual budgets accordingly. This process includes the following steps: ?Determining and estimating the requirements of the nation, for the coming years and a plan to meet those requirements. ?Exploring the sources of raising revenue-taxation, borrowing, savings, etc. ?Preparing a program that is balanced as well as one which contains all the features mentioned and required for development in the proposed period. Also, the program should be flexible so that modifications can be made accordingly. ?Implementation of improvement projects ? Incorporating a portion of long-term budget within the annual budget and getting it passed through the legislature. Single Budgets vs. Plural Budgets In most countries, the method of preparing a single budget is used.

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single budget is made where all the estimates regarding all the departments get covered.

It has been argued that the financial position and standing of the government is revealed when a single budget is prepared.

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This also makes the job of the government easier as the government knows beforehand the surplus and deficits of all the departments and thus can make necessary adjustments, balancing the whole budget. This saves the government from complex adjustments and calculation to be performed at a later stage. This system is used in Germany, Switzerland, to name two. India, however, has the method of plural budgets as two budgets are prepared. The two departments for which these budgets are made separately are: ?Administrative departments ?Commercial enterprises In India, making a separate budget for the Railways was in practice since 1921. This was initiated on the recommendations of the Acworth Committee. Another example is the budget for Damodar Valley Corporation which is laid before the legislatures of Bengal and Bihar.

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Surplus, Deficit and Balanced budgets If the approximate revenues are over the approximate expenditure, the budget is called a surplus budget. Similarly, a deficit budget is one where the expected expenditure is in excess of the revenues approximated.

Economists have suggested that a

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deficit budget shows that the country is progressing in the right direction. When the approximate revenues and expenditures are almost equal and at par, it is called a balanced budget. Usually, all budgets are deficit.

NOTES Self-Instructional Material 23 Types and Principles of Budget

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Departmental Budgets/Performance Budgets In a departmental budget, the expenditures as well as the revenues concerned under it are collected under one roof. In the case of Performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project. For instance, if there is a project regarding education, the division could be on the basis of primary, secondary and high. Cash Budgets/Revenue Budgets In cash budgets, there is an estimate of various forms and expenditures and incomes on the basis of amount that is to be spent or received in one year. In case of revenue budget, the amounts are attributed in the budget whether or not they actually spent or received in the form of expenditure and revenues in one single year. Cash budgets are prepared in countries like India and USA. Cash budgeting is done in countries like France along with other continental nations.

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Preparation It may be mentioned that there is no single budget for the entire country. States have their own budgets, as the Indian Constitution is federal. Even at the Union level, there are two budgets. Types of Union Budget (i) General Budget (ii) Railway Budget General budget is one of the greatest democratic instruments of growth. It helps bridge the economic disparities among different communities and sectors and helps take a step forward towards a more inclusive development. It contains the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements, The Macro Economic Framework Statement, The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The Outcome Budget. The Railway Budget was separated from the General Budget in 1921. The advantage of this arrangement is, first, that a business approach to the railway policy is facilitated, and, secondly, the railways, after paying a fixed annual contribution to the general revenue of the country, can keep their profits for their own development. The separation of the railway budget from the general budget is justified by India's Railway Board on Railways for 1924–25. The Board observes: The new procedure (the separation of railway finance from the general finances) has already resulted in a definite improvement in the railway outlook, Types and

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there is no single budget for the entire country. States have their own budgets,

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Constitution is federal. Even at the Union level, there are two budgets.

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the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements,

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the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements,

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The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The

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The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The

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and The Outcome Budget. The Railway Budget was separated from the General Budget in 1921. The advantage of this arrangement is, first, that a business approach to the railway policy is facilitated, and, secondly, the railways, after paying a fixed annual contribution to the general revenue of the country, can keep their profits for their own development.

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and The Outcome Budget. The Railway Budget was separated from the General Budget in 1921. The advantage of

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and while the general revenues are now assured of a stable annual return from railway, the Railway Board is enabled to carry out a continuous policy of improvements based on upon the responsibility for obtaining a fixed dividend coupled with an assurance of adequate funds for any operation which will secure such dividend. They have the further security that surpluses will be available for railway purposes and particularly for building up reserves and a depreciation fund. The institution of a separate railway budget enabled the railways to develop a coherent railway policy in the country.

Check Your Progress 3. Name some of the countries where a single budget is prepared. 4. On whose recommendation was the Railway Budget separated from the General Budget? 5. What do you mean by a performance budget? 6. What are the key documents included in the General Budget? 7. In which year was the Railway Budget separated from the General Budget? 3.4 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1. The principle of annuality implies that a budget is prepared every year on annual basis. 2. The money left unspent in a year must also lapse to the public treasury and government should not be able to spend it unless it is re-sanctioned in next year's budget. This is called rule of lapse and is useful as an effective tool of financial control. 3. The system of preparing a single budget is seen in Germany and Switzerland. 4.

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The Railway Budget separated from the General Budget on the recommendation of the Acworth Committee. 5.

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performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project. 6.

The General Budget

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contains the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements, The Macro Economic Framework Statement, The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The Outcome Budget. 7. The Railway Budget was separated from the General Budget in 1921.

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the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements,

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The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The

NOTES Self-Instructional Material 25 Types and Principles of Budget 3.5 SUMMARY ?The various principles of budget are as follows: i. Principle of Annuality ii. Rule of Lapse iii. Fiscal Discipline iv. Inclusiveness v. Accuracy vi. Transparency and Accountability ?The principle of annuality implies that a budget is prepared every year on annual basis. ?The Principle of Annuality also implies that the money left unspent in a year must also lapse to the public treasury and government should not be able to spend it unless it is re-sanctioned in next year's budget. This is called Rule of Lapse. ?A budget should be balanced and should be able to display congruence between the income and expenditure. This is known as fiscal discipline. ?A budget should be comprehensive and inclusive of diverse budget estimates. An inclusive budget includes all government revenue and expenditures and helps evaluating the much required trade-offs between different policy options. ?Budget figures are essentially predictions of the amount of money to be generated in the forthcoming year and its expenditure. These estimates need to be accurate and precise. The preciseness is dependent real and credible input data, information and unbiased information. ?According to the United Nations, budget transparency and accountability are two of the eight basic indicators of good governance. Budget transparency implies that government gives out all data regarding budget. For the sake of clarity and transparency, the revenue and capital portion of the budget are kept separate. ?

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Long term budgeting is not an actual budget for a certain time period but a process of making provisions for the future and making annual budgets accordingly. ?

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In most countries, the method of preparing a single budget is used. One single budget is made where all the estimates regarding all the departments get covered.

India,

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however, has the method of plural budgets as two budgets are prepared. ?

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If the approximate revenues are over the approximate expenditure, the budget is called a surplus budget. Similarly, a deficit budget is one where

Types and Principles of Budget NOTES Self-Instructional 26 Material

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the expected expenditure is in excess of the revenues approximated.

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When the approximate revenues and expenditures are almost equal and at par, it is called a balanced budget. ?In a departmental budget, the expenditures as well as the revenues concerned under it are collected under one roof. In the case of Performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project. ?

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In cash budgets there is an estimate of various forms and expenditures and incomes on the basis of amount that is to be spent or received in one year. In case of revenue budget the amounts are attributed in the budget whether or not they actually spent or received in the form of expenditure and revenues in a single year. ?

At the Union level, two budgets are presented in India. They are General Budget and Railway Budget. 3.6 KEY WORDS ?Surplus budget:

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If the approximate revenues are over the approximate expenditure, the budget is called a surplus budget. ?Deficit budget:

It is

a budget where the expected expenditure is in excess of the revenues approximated. ?

Performance budget: In the case of a

performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project. 3.7

SELF ASSESSMENT QUESTIONS AND EXERCISES Short-Answer Questions 1. What do you mean by fiscal discipline? 2. Write a short note on long term budgeting. 3. What is the difference between single budget and plural budget? 4. What are the benefits of separating the Railway Budget from the General Budget? Long-Answer Questions 1. Analyse the various principles of a budget. 2. Discuss in detail the different types of budget.

NOTES Self-Instructional Material 27 Types and Principles of Budget 3.8 FURTHER READINGS

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Performance Budgeting

NOTES Self-Instructional 28 Material UNIT 4 PERFORMANCE BUDGETING Structure 4.0 Introduction 4.1 Objectives 4.2 Meaning, Objectives and Advantages 4.2.1 Growth of the Concept 4.3 Answers to Check Your Progress Questions 4.4 Summary 4.5 Key Words 4.6 Self Assessment Questions and Exercises 4.7 Further Readings 4.0 INTRODUCTION

Performance budgeting is the practice of developing budgets based on the relationship between program funding levels and expected results from that program. There are broadly three types of performance budgeting. They are presentational, performance-informed and direct performance budgeting. This concept gained prominence in India after the United Nations published a Manual for Programme and Performance Budgeting and suggested that the developing countries could adopt this technique with the view to obtaining a better return on resources. This unit will discuss the different types of performance budgeting. The advantages of implementing performance budgeting will also be discussed. 4.1

OBJECTIVES After going through this unit, you will be able to: ?Understand the concept of

OBJECTIVES After going through this unit, you will be able to: ?Understand the concept of

performance budgeting and

its types ?Discuss the advantages of performance budgeting ?Examine the growth of the concept of performance budgeting 4.2

MEANING, OBJECTIVES AND ADVANTAGES According to Shah, performance budgeting is a method of budgeting that provides the purpose and objectives for which funds are needed, costs of programs and

NOTES Self-Instructional Material 29 Performance Budgeting related activities proposed to accomplish those objectives and outputs to be produced or services to be rendered under each program. Performance budgeting follows the validation that a relaxation of input controls and an increased flexibility enhances managers' performance as long as results are measured and managers are held responsible for their results. The major aim of

performance budgeting is to improve the efficiency of public expenditure, by linking the funding of public sector organizations to the results they deliver.

Governments implement performance budgeting keeping in mind the following objectives: ?Budget priorities such as controlling expenditure ?Improving allocation and efficient use of funds ?Improving public sector performance ?Improving accountability to politicians and the public The introduction of performance budgeting has been linked to broader efforts to improve expenditure control as well as public sector efficiency and performance. Thus, performance budgeting can be combined with increased flexibility for managers in return for stronger accountability for the results, so as to enable them to decide how to best deliver public services.

There are three broad types of performance budgets, that is, presentational, performance-informed, and direct performance budgeting. Presentational performance budgeting simply means that performance information is presented in budget documents or other government documents. The information can refer to targets, or results, or both, and is included as background information for accountability and dialogue with legislators and citizens on public policy issues. The performance information is not intended to play a role in decision making and does not do so. In performance-informed budgeting, resources are indirectly related to proposed future performance or to past performance. The performance information is important in the budget decision-making process, but does not determine the amount of resources allocated and does not have a predefined weight in the decisions. Performance information is used along with other information in the decision-making process. Direct performance budgeting involves allocating resources based on results achieved. This form of performance budgeting is used only in specific sectors in a limited number of OECD countries. For example, the number of students who graduate with a Master's degree will determine the following year's funding for the university running the programme. Advantages Some of the advantages of performance budgeting are as follows: ?Set Accountability: In the public sector organization and not for profit organization, performance budget helps to increase the accountability.

Performance Budgeting NOTES Self-Instructional 30 Material ?Clear Purpose: Performance budgeting indicates clearly the objective on which the money is going to be spent. By making the purpose clear, it becomes easier to assess the performance and correct the deviations. ?Improvement in Performance: The performance budget improves the performance of the programs on a continuous basis. In addition to this it leads to the overall operational efficiency of the organization. Also, it overcomes the limitations of traditional budgeting. ?Transparency: Performance-based budgeting helps in bringing the transparency in the budget preparation. The performance budget helps in taking better financial decisions for the allocation of resources. It reviews the operational efficiency of the projects. Hence, one can say, it links the entire process of planning, implanting and evaluation of the results. 4.2.1 Growth of the Concept

The traditional budget is generally an incremental line-item budget based on historical or empirical methods of estimating revenues and expenditures. Soon after Independence, the

Indian Government launched Five-Year Plans, to ensure socio- economic development.

Apart from a detailed planning process, these involved three major concerns: (i) raising and allocating additional resources, both internal and external; (ii) enlarging the responsibility functions of budgets; and (iii) strengthening the systems of expenditure control.

After Independence, there was a growing awareness

among the legislators, the taxpayers and the

budget authorities on the need for a structural change in the budget so that additional budgetary input could be compared with additional output. In 1965, the United Nations published a Manual for Programme and Performance Budgeting and suggested that the developing countries could adopt this technique with the

view to obtaining a better return on resources. The Indian Government appointed a high-level Administrative Reforms Commission which recommended the introduction of a performance budget as an instrument for budgeting in terms of physical inputs and outputs, in addition to budgeting purely on financial terms. As a result of this recommendation, performance budgets were developed, taking into account international practices in conjunction with the national planning structure. The Planning Commission, which acts as the apex body of planning in India for all sectors, substantially performs the planning functions of the budget, in contrast to other countries where these are handled by the Ministry of Finance, the Treasury or other budgetary authorities. Performance budgets in India are prepared in addition to the budgetary documents required under constitutional or other legal provisions. Emphasis is placed on comparing the effects of financial inputs with physical outputs. These budgets provide various performance indicators in both financial and physical terms.

NOTES Self-Instructional Material 31 Performance Budgeting Check Your Progress 1. What is the main aim of performance budgeting? 2. What are the objectives that the government should consider while implementing performance budgeting? 3. What are the three types of performance budgeting? 4. In which year did the United Nations publish a Manual for Programme and Performance Budgeting? 4.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1. The major aim of performance budgeting is to improve the efficiency of public expenditure, by linking the funding of public sector organizations to the results they deliver. 2.

The government should consider the following objectives while implementing performance budgeting: ?Budget priorities such as controlling expenditure ?Improving allocation and efficient use of funds ?Improving public sector performance ?Improving accountability to politicians and the public 3. There are three broad types of performance budgets, that is, presentational, performance-informed, and direct performance budgeting. 4.

In 1965, the United Nations published a Manual for Programme and Performance Budgeting and suggested that the developing countries could adopt this technique with the view to obtaining a better return on resources. 4.4 SUMMARY ?The major aim of performance budgeting is to improve the efficiency of public expenditure, by linking the funding of public sector organizations to the results they deliver. ?

There are three broad types of performance budgets, that is, presentational, performance-informed, and direct performance budgeting. ?Presentational performance budgeting simply means that performance information is presented in budget documents or other government

Performance Budgeting NOTES Self-Instructional 32 Material documents. The information can refer to targets, or results, or both, and is included as background information for accountability and dialogue with legislators and citizens on public policy issues. ?In performance-informed budgeting, resources are indirectly related to proposed future performance or to past performance. The performance information is important in the budget decision-making process, but does not determine the amount of resources allocated and does not have a predefined weight in the decisions. ?Direct performance budgeting involves allocating resources based on results achieved. This form of performance budgeting is used only in specific sectors in a limited number of OECD countries. ?After Independence, there was a growing awareness among the legislators, the taxpayers and the budget authorities on the need for a structural change in the budget so that additional budgetary input could be compared with additional output. ?In 1965, the United Nations published a Manual for Programme and Performance Budgeting and suggested that the developing countries could adopt this technique with the

view to obtaining a better return on resources. The Indian Government appointed a high-level Administrative Reforms Commission which recommended the introduction of a performance budget as an instrument for budgeting in terms of physical inputs and outputs, in addition to budgeting purely on financial terms. ?

Performance budgets in India are prepared in addition to the budgetary documents required under constitutional or other legal provisions. 4.5

KEY WORDS ?Performance Budgeting: It is the practice of developing budgets based on the relationship between program funding levels and expected results from that program. ?Developing Countries: The term is used for a country with a less developed industrial base and a low Human Development Index. 4.6 SELF ASSESSMENT QUESTIONS AND EXERCISES Short-Answer Questions 1. What do you mean by performance budgeting? 2. What is direct performance budgeting? 3. What are the advantages of performance budgeting?

NOTES Self-Instructional Material 33 Performance Budgeting Long-Answer Questions 1. Discuss in detail the three types of performance budgeting. 2. Examine the growth of the concept of performance budgeting in India. 4.7 FURTHER READINGS

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Zero Based Budgeting

NOTES Self-Instructional 34 Material UNIT 5 ZERO BASED BUDGETING Structure 5.0 Introduction 5.1 Objectives 5.2 Growth, Meaning, Objectives and Advantages 5.3 Answers to Check Your Progress Questions 5.4 Summary 5.5 Key Words 5.6 Self Assessment Questions and Exercises 5.7 Further Readings 5.0 INTRODUCTION

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Zero based budgeting is a method of budgeting in which all expenses must be justified

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Zero based budgeting is a method of budgeting in which all expenses must be justified

and approved for each new period.

Although the concept of ZBB developed in the United States and has been mainly confined to the country, in recent times, the concept has seen an emergence in India as well. The ZBB technique involves a critical review of every scheme before a budgetary provision is made in its favour. Therefore, it focuses on evaluating activities and making decisions. With the help of this approach, programme effectiveness can be enhanced. This unit will discuss the growth of the concept and the different interpretations of the term. The advantages of using zero based budgeting will also be delved into. 5.1

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OBJECTIVES After going through this unit, you will be able to: ?Understand the meaning of

zero based budgeting ?Discuss the zero based budgeting procedures ?Explain the advantages of zero based budgeting 5.2 GROWTH, MEANING, OBJECTIVES AND ADVANTAGES Zero Based Budgeting (ZBB) is also 'rational' budgeting. Like Management by Objectives (MBO), it is a transplant from the private sector which has so far been confined to the United States. ZBB is an emerging process, adopted by a variety of industrial organizations as well as state and municipal Governments in USA. ZBB was developed at Texas Instruments, Inc. in 1969. The process was first

NOTES Self-Instructional Material 35 Zero Based Budgeting adopted by Governor Jimmy Carter (who later became President of the United States) of Georgia for the preparation of the 1973 Budget. In India, former Union Finance Minister V.P. Singh told a parliamentary consultative committee that the Indian Government would be introducing the ZBB technique at first in a small way in 1986-87 and then in full in Budget formulation from 1987-88. The ZBB technique involves a critical review of every scheme before a budgetary provision is made in its favour. The practice in India or elsewhere under the traditional budgetary process has been to allot funds on an incremental basis, irrespective of whether the scheme in question is doing well or even worth continuing. The ZBB technique requires large masses of quantitative data regarding the impact, targets, objectives, standards of performance, evaluation and a comparison among programmes covering divergent activity. In the Indian context, the ZBB would perhaps enable the government to abandon a large number of schemes along with agencies whether branded as Plan projects or as non-plan expenditure when they are provided to have outlived their utility or to have been non-starters despite investments in infrastructure and personnel. If properly implemented, the technique could help to reverse the trend of large deficits on the revenue account of the Union Government—an increase from 294 crores in 1981-82 to about 5634 crores in 1985-86 was estimated. According to Guy Peters, the most fundamental idea behind ZBB is that the agency should have to justify its entire budget from the ground up each year. In contrast, the traditional or incremental budgeting assumes that there is a budgetary base (the previous year's level of appropriation) that is guaranteed, and there is only a question of how much of an increment will be given. The ZBB was designated to solve this problem. Meaning of Zero based budgeting The ZBB has many interpretations. Some of these view it as 'the process of throwing everything out and starting all over again from scratch', or 'reinventing the wheel'. These are obviously incorrect. Pyhrr observes that in practical terms 'Zero-based means the evaluation of all programmes. The evaluation of alternatives and programme performance may occasionally lead us to completely rethink and redirect a programme, in which case we do 'throw everything out and start all over again. However, in the great majority of cases, programmes will continue, incorporating modifications and improvements. For the majority of programmes, we will concentrate our analysis on evaluating programme efficiency and effectiveness and the evaluation and prioritization of different levels of efforts'. Zero based budgeting procedures In contrast to the traditional budgeting approach of incriminating the new on the old, zero based budgeting demands a total re-justification of everything from zero.

Zero Based Budgeting NOTES Self-Instructional 36 Material It means chopping up the organization into individual functions and analyzing each annually, regardless of whether it is 50 years old or a brand new proposal for a future programme. The budget is broken into units called decision packages, prepared by managers at each level. These packages cover every existing or proposed activity of each department. They include analyses of purposes, costs, measures of performance and benefits, alternative courses of action and consequences of disapproval. Packages are also ranked in order of priority. After several discussions between department heads and the Chief Executive, the rankings are finalized and the packages are approved and funded (to the extent possible). Although the specifics differ among organizations, there are four basic steps to the ZBB approach. ?Analyse each decision unit in a 'decision package'. ?Evaluate and rank all decision packages to develop the appropriations request. ?Prepare the detailed operating budgets reflecting those decisions packages which have been approved in the budget appropriation. Defining Decision Units: Zero based budgeting attempts to focus the management's attention on evaluating activities and making decisions. Therefore, the 'meaningful elements' of each organization must be defined so that they can be isolated for analysis and decision making. For the sake of terminology, we have termed these meaningful elements 'decision units'. The definition of decision units in most organizations is straight forward and the decisions units may correspond to those budget units defined by traditional budget procedures. Advantages of Zero based budgeting approach A number of clear cut benefits from an effective ZBB are: (a) Focussing the management process on analysis and decision making rather than simply on numbers—in other words, the what, why and how issues as well as how much. (b) Combining planning, budgeting and operational decision making into one process. (c) Forcing managers to evaluate in detail the cost-effectiveness of their operations. This includes specific programmes - both new and old - all of which are clearly identified rather than functionally buried. (d) Providing a system to trade-off between long-term and short-term needs during the budgeting period, as well as a follow up tool on cost and performance during the year.

NOTES Self-Instructional Material 37 Zero Based Budgeting (e) Allowing for quick budget adjustment or resource shifts during the year, if necessary, when revenue falls short. In doing so, ZBB offers the capability to quickly and rationally modify goals and expectations to correspond to a realistic and affordable plan of operation. (f) Identifying similar functions among different departments for comparison and evaluation. (g) Expanding management participation and training in the planning, budgeting, and decision-making process. In brief, through ZBB, low priority programmes can be eliminated or reduced; programme effectiveness can be dramatically improved and high impact programmes can obtain increased funding by shifting resources within an agency. 'The idea behind ZBB is to get the most out of the taxpayer's dollar by making sure that every cent we spend is justified'. Check Your Progress 1. When was the concept of zero based budgeting developed? 2. Name the United States Governor who first adopted zero-based budgeting. 3. Name the Union Minister who announced the implementation of ZBB in the 1980s. 4. In which country is the practice of zero-based budgeting majorly seen? 5. How does zero-based approach differ from the traditional approach? 5.3 ANSWERS TO CHECK YOUR PROGRESS

QUESTIONS 1. Zero-based budgeting was developed at Texas Instruments, Inc. in 1969. 2. Zero-based budgeting was first adopted by Governor Jimmy Carter (who later became President of the United States) of Georgia for the preparation of the 1973 Budget. 3. In India the Union Finance Minister V.P. Singh told a parliamentary consultative committee that the Government would be introducing the ZBB technique. 4. The practice of zero-based budgeting is mostly limited to the United States. 5. In contrast to the traditional budgeting approach of incriminating the new on the old, zero-base budgeting demands a total re-justification of everything from zero. It means chopping up the organization into individual functions and analyzing each annually, regardless of whether it is 50 years old or a brand new proposal for a future programme.

Zero Based Budgeting NOTES Self-Instructional 38 Material 5.4 SUMMARY ?Like Management by Objectives (MBO), Zero-based budgeting is a transplant from the private sector which has so far been confined to the United States. ?Zero-based budgeting is an emerging process, adopted by a variety of industrial organizations as well as state and municipal Governments in USA. ?The ZBB technique involves a critical review of every scheme before a budgetary provision is made in its favour. The practice in India or elsewhere under the traditional budgetary process has been to allot funds on an incremental basis, irrespective of whether the scheme in question is doing well or even worth continuing. ?Zero-base budgeting demands a total re-justification of everything from zero. It means chopping up the organization into individual functions and analyzing each annually, regardless of whether it is 50 years old or a brand new proposal for a future programme. ?Zero-base budgeting attempts to focus the management's attention on evaluating activities and making decisions. Therefore, the 'meaningful elements' of each organization must be defined so that they can be isolated for analysis and decision making. ?Through the zero-base approach, low priority programmes can be eliminated or reduced; programme effectiveness can be dramatically improved and high impact programmes can obtain increased funding by shifting resources within an agency. 5.5 KEY WORDS ?Management by objectives (MBO): It is a strategic management model that aims to improve the performance of an organization by clearly defining objectives that are agreed to by both management and employees. ?

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Zero-based budgeting: It is a method of budgeting in which all expenses must be justified		

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Zero-based budgeting: It is a method of budgeting in which all expenses must be justified		

and approved for each new period. ?

Quantitative data: It refers to data expressing a certain quantity, amount or range.

NOTES Self-Instructional Material 39 Zero Based Budgeting 5.6 SELF ASSESSMENT

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QUESTIONS AND EXERCISES Short-Answer Questions 1. Write a short note on the		

procedure of zero-based budgeting. 2. What are the basic steps in the zero-based approach? 3. What are decision packages? Long-Answer Questions 1. Explain the concept of zero-based budgeting. 2. Discuss the advantages of zero-based budgeting. 5.7 FURTHER READINGS

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Plan Programme Budgeting System NOTES Self-Instructional 40 Material UNIT 6 PLAN PROGRAMME BUDGETING SYSTEM Structure 6.0 Introduction 6.1 Objectives 6.2 Growth, Meaning, Objectives and Advantages 6.3 Answers to Check Your Progress Questions 6.4 Summary 6.5 Key Words 6.6 Self Assessment Questions and Exercises 6.7 Further Readings 6.0 INTRODUCTION

Performance and Programme Budgeting System (PPBS) was initially introduced in the United States in 1949 on the recommendation of the Hoover Commission. The concept gained popularity in India in the mid 1950s. However, it was only in 1969 that India saw the implementation of PPBS in four ministries. This unit will discuss the stages of PPBS and the problems associated with it. The Government of India tried to tackle the problems posed by PPBS by supplementing it with Outcome Budget in 2005-06. This unit will also discuss the growth of the concept of PPBS in India and the measures taken by the government to deal with the deficiencies. 6.1

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OBJECTIVES After going through this unit, you will be able to: ?Understand the meaning of

Performance and

Programme Budgeting System (PPBS) ?Discuss the three stages of programme budgeting ?Explain the problems associated with PPBS ?Analyse the growth of the concept of PPBS 6.2 GROWTH, MEANING, OBJECTIVES AND ADVANTAGES

The resources at the disposal of the government are always scarce in comparison with the services which it is expected to provide to the society. Accordingly, it

NOTES Self-Instructional Material 41 Plan Programme Budgeting System must try to use the resources economically and efficiently. To this end, therefore, choice of projects should be based upon cost-benefit analysis and the chosen programmes should be subjected to the tests of actual performance against their expected outcomes. A system of evaluation is needed because actual performance seldom equals the expected one. By implication, a decision to spend a particular set of resources for a particular purpose (which may be called a project) should first be based upon programming or a stage-wise sequence of steps for executing it; and secondly, it should based upon performance budgeting, that is, tests for evaluating the actual performance. As the Hoover Commission in the USA stated, a performance budget is based upon activities, functions and projects of the government. When budgeting comprises both the above-mentioned components, it may be termed Performance and Programme Budgeting (PPB) or Performance and Programme Budgeting System (PPBS). The PPBS is an outcome of efforts of the government for improving the formulation and execution of its expenditure policy at executive (and not legislative) level. It comprises rules of managerial efficiency and flexibility in the context of this policy. Rationale of PPBS The rationale of PPBS is based upon some fundamental propositions. Firstly, it recognizes the fundamental nature of our economic problem, namely, scarcity of our resources in relation to their need, and thereby creating competing claims upon the least cost-benefit ratios. Secondly, an efficient execution of selected projects is as important as the choice thereof. To this end, therefore, criteria of efficiency and the steps for achieving it have to be devised, as also assessing the extent of success or failure, or even over-achievement. Thirdly, PPBS recognizes that in conventional budgetary techniques, there are no automatic regulators which indicate to the legislature and the executive as to when the usefulness of a particular programme has ceased to exist. PPBS provides a system of feedback which can be improved upon over time. Fourthly, a kind of ad hocism creeps in government decisions in the absence of PPBS. This is mainly because effective decision-making is generally shared between several government agencies and departments with inadequate co- ordination, and harmony in their view-point and expertise. At times, ad hocism has its place, but it cannot be a basis for decision making, particularly because all major decisions of the government are bound to influence the future of the society as well. 'The fundamental premises of programme budgeting are that policy and budgets are inseparable, and that the relationship between the structure and implementation of budgets and the determination and achievement of policy objectives should be made explicit. Programme budgeting is then a set of procedures

Plan Programme Budgeting System NOTES Self-Instructional 42 Material designed to improve the basis for policy decisions and to secure a more effective and efficient allocation of scarce resources in the public sector, the output of which does not generally command any market price.' Fifthly, the government budget is usually on an annual basis while a large number of projects and programmes extend over much longer periods. Therefore, there should be an effective assessment and co-ordination between budgetary provisions and policies over a longer span of time. PPB puts heavy stress on forward programming. It is noteworthy that PPBS is not a mechanical process. It is not a substitute for basic human judgement. Its main task is to help arrive at better decisions. PPBS does not ignore human factors, either on cost or on the benefit side of a project. It takes into account even those human factors which cannot be quantified. Its systematic attribute does not imply that it is totally quantitative. It only tries to serve the purpose of eliminating irrelevant factors in decision-making and incorporating the relevant ones. For this reason, PPBS need not be extended to every expenditure decision, though all important decisions should be covered by it. PPBS should not be expected to dramatically improve government efficiency in the short run. But its usefulness warrants that a beginning be made with important areas. Elaboration Technically, the performance and programme budgeting are similar but not identical with each other. Programme budgeting consists of three stages: (i) Defining the objectives of various fiscal measures and policies, and identifying the programmes out of which a selection is to be made. (ii) Use of a cost-benefit approach for assessing the comparative ranking of the identified programmes and, selecting the best programme on the basis of availability of resources. (iii) The third stage is 'projective', that is, in it, current programmes and policies are related to their future benefits, problems, costs and other developments. Programme budgets, by their nature, are forward looking. They belong to what is 'essentially a long-term "rolling plan system" under which budget is an allocative process between competing claims, and the budget itself is a statement of policy for the appropriate planning period.' Accordingly, an effective implementation of a programme budget should have a time schedule for financial flows and other activities together with expected achievements of targets. A performance budget, on the other hand, relates to accomplishments and failures of a programme budget. In nutshell, therefore, PPB can be an important aid in achieving better results at lower cost.

NOTES Self-Instructional Material 43 Plan Programme Budgeting System Obviously, programme and performance budgets are interlinked and neither has any useful meaning without the other. Simultaneously, PPB poses a number of conceptual and other problems: (i) Multiplicity: A given objective may be the target of more than one programme, while a given programme may aim at more than one targets. (ii) Quantification: It is not possible to quantitatively measure results of many programmes such as those relating to health, education and hygiene etc. (iii) Flexibility: Schultz tells us that from political point of view, those areas of economic activity are less flexible to which it is easier to apply analytical techniques. On the other hand, good, reliable and precise data are mostly lacking in those economic areas in which there is greater political flexibility. 'PPBS is by no means a cut and dried matter....In particular, there is a room for controversy about output classification...and as for performance checking, this is more easily talked about than done.' (iv) Institutional Framework: Effectiveness of PPBS is closely linked with its conformity with the institutional framework of the economy and administrative capacity of the government. There is no uniform format suitable for every economy. Each one has to develop its own format. (v) Accounting System: The budget accounts should be of the type which permit the needed formulation of PPBS. For a proper PPBS, an efficient functional classification of the budget and the accounting system are of great help. Functional classification of the budget itself enables us to obtain information on the aggregates of major functions or purposes of the government. If this functional accounting approach is extended to the level of departments and other organizational units, the task of PPBS gets greatly facilitated. But an efficient PPB cannot be implemented with aggregative categories at the national level such as agriculture, industry, public health, etc. Such an approach fails to identify specific government programmes with their corresponding costs. For PPBS, a detailed analysis and breakdown of governmental functions is needed. 'At a point where functional classification is extended to an analysis of the overall and budgetary activities and programmes of each ministry or department and suitable yardsticks of performance for these programmes have been devised, the concept of functional classification becomes synonymous with that of performance budgeting.' In this way, 'One of the prime requisites of the introduction of performance budgeting is a complete integration of budgetary and accounting classification and the progress in its application will hinge substantially on the degree to which a parallel

Plan Programme Budgeting System NOTES Self-Instructional 44 Material and well coordinated accounting structure can be developed to provide timely and current data for the appraisal of performance and various programmes and activities.' Ideally, all the components of a programme should be at one place and under one control for an effective PPBS. In practice, however, this condition is seldom satisfied. Problems relating to administrative considerations, technical efficiency and many other factors come in. It is often not possible to shake up the existing set up and restructure it so as to facilitate PPBS. At the most, therefore, PPBS can be introduced only in phases. Growth of the Concept Performance budgeting was first introduced in US in 1949 on the recommendation of the Hoover Commission. In 1951, it was made more detailed. However, the experiment was a failure and it was abandoned. Some of its improved ingredients were taken note of only in the budgetary reforms of 1990s. In India, proposals for introducing PPB had started originating in mid 1950s. In 1969, Administrative Reforms Commission also urged the Centre to go ahead with it and a system of performance budgeting was prepared for four ministries. By 1977-78, around 32 departments of the Central Government had introduced PPB. Several States also followed suit. However, several of its serious deficiencies have persisted over time, including those relating to methodologies used in cost estimation, administrative delays and inter-budgetary spill-over and deficiencies of performance indicators. Similarly, the 'performance' continued to be evaluated in terms of the expenditure incurred on a project without a proper link to its productivity. And on top of these all, there was a lack of information on the relevance of the targets and achievements. Commonly known as 'performance budget', this practice continued with the Centre till 2006-07 and continues with some States even now. The GOI sought to overcome the shortcomings of the 'performance budget' by supplementing it with 'Outcome Budget' in 2005-06. It was an attempt to improve both 'programming' and 'performance' components of PPB. The 'outcome budget', 2005-06, covered only Plan outlays. In 2006-07, non-Plan schemes with quantifiable and deliverable outputs were also covered. In 2007-08, the 'outcome budget' and the 'performance budget' were merged and since then a combined document named the 'outcome budget' is being presented to the Parliament

by each ministry/department covering all demands/appropriations controlled by them, except those exempted from this requirement.

In its present shape, the outcome budget is quite comprehensive. It broadly indicates actual physical performance of the preceding year, available data for the current year and the targeted performance for the incoming year. Outcome budget of each ministry/department contains a brief note on its organization and the functions assigned to it, its policy framework, budget estimates and scheme-wise analysis of

NOTES Self-Instructional Material 45 Plan Programme Budgeting System physical performance, the linkage between financial outlays and outcome, overall trends in expenditure and so on. However, even with all this elaboration, Outcome budget suffered from initial teething troubles. Accordingly, steps have been initiated to remove these deficiencies, improve its technical aspects and ensure that there is no time lag between it and the presentation of the main budget. In particular, there is a need to improve its evaluation techniques on an ongoing basis. Check Your Progress 1. Why does PPB stress forward programming? 2. When was performance budgeting introduced in the US? 3. Which Commission recommended the implementation of PPB in India? 4. What are some of the deficiencies noticed after implementation of PPB in India? 5. Why was the Outcome Budget introduced by the Government of India? 6. What does the outcome budget comprise? 6.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1. The government budget is usually on an annual basis while a large number of projects and programmes extend over much longer periods. Therefore, there should be an effective assessment and co-ordination between budgetary provisions and policies over a longer span of time. It is for this reason that PPB puts heavy stress on forward programming. 2. Performance budgeting was first introduced in US in 1949 on the recommendation of the Hoover Commission. 3. In 1969, the Administrative Reforms Commission recommended and urged the Centre to implement PPB. 4. Some of the deficiencies noted after implementation of PPB in India were related to methodologies used in cost estimation, administrative delays and inter-budgetary spill-over and deficiencies of performance indicators. 5. The Outcome Budget was introduced by the Government of India to overcome the shortcomings of the 'performance budget'. 6. The outcome budget of each ministry/department contains a brief note on its organization and the functions assigned to it, its policy framework, budget estimates and scheme-wise analysis of physical performance, the linkage between financial outlays and outcome, overall trends in expenditure and so on.

Plan Programme Budgeting System NOTES Self-Instructional 46 Material 6.4 SUMMARY ?The decision to spend a particular set of resources for a particular purpose (which may be called a project) should first be based upon programming or a stage-wise sequence of steps for executing it; and secondly, it should be based upon performance budgeting, that is, tests for evaluating the actual performance. When budgeting comprises both the above-mentioned components, it may be termed Performance and Programme Budgeting (PPB) or Performance and Programme Budgeting System (PPBS). ?The PPBS is an outcome of efforts of the government for improving the formulation and execution of its expenditure policy at executive (and not legislative) level. It comprises rules of managerial efficiency and flexibility in the context of this policy. ?It is noteworthy that PPBS is not a mechanical process. It is not a substitute for basic human judgement. Its main task is to help in arriving at better decisions. PPBS does not ignore human factors, either on cost or on the benefit side of a project. It takes into account even those human factors which cannot be quantified. ?PPB poses a number of conceptual and other problems. These problems may relate to flexibility, institutional framework, accounting system, etc. ?Performance budgeting was first introduced in US in 1949 on the recommendation of the Hoover Commission. In 1951, it was made more detailed. However, the experiment was a failure and it was abandoned. ?In India, proposals for introducing PPB had started originating in mid 1950s. In 1969, Administrative Reforms Commission also urged the Centre to go ahead with it and a system of performance budgeting was prepared also for four ministries. By 1977-78, around 32 departments of the Central Government had introduced PPB. Several States also followed suit. ?The GOI sought to overcome the shortcomings of the 'performance budget' by supplementing it with 'Outcome Budget' in 2005-06. It was an attempt to improve both 'programming' and 'performance' components of PPB. 6.5 KEY WORDS ?Performance and Programme Budgeting: It is the practice of developing budgets based on the relationship between program funding levels and expected results from that program. ?Methodology: It is a body of methods, rules, and postulates followed while carrying out research or developing a procedure. ?Cost estimation: It is the approximation of the cost of a program, project, or operation.

NOTES Self-Instructional Material 47 Plan Programme Budgeting System 6.6 SELF ASSESSMENT QUESTIONS AND EXERCISES Short-Answer Questions 1. Define Performance and Programme Budgeting (PPB). 2. Write a short note on the rationale of PPBS. 3. What are the three stages of programme budgeting? 4. Write a short note on the Outcome Budget. Long-Answer Questions 1. Discuss the problems associated with PPB. 2. Explain the growth of the concept of PPB. 6.7 FURTHER READINGS

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Preparation of the Budget Process NOTES Self-Instructional 48 Material BLOCK - III BUDGETARY PREPRATATION AND ENACTMENT UNIT 7 PREPARATION OF THE BUDGET PROCESS Structure 7.0 Introduction 7.1 Objectives 7.2 Enactment of the Budget Process 7.3 Answers to Check Your Progress Questions 7.4 Summary 7.5 Key Words 7.6 Self Assessment Questions and Exercises 7.7 Further Readings 7.0 INTRODUCTION The Budget Division in the Ministry of Finance is responsible for preparing a detailed estimate of the expenditure and receipts. The budget cycle begins towards the end of September and lasts till May of the next financial year. The budget process commences with the issue of the budget circular. After the estimates are formulated, the budget proposals are forwarded to the departmental heads for consideration. Departmental budgets are forwarded to the Budget Division, following which a meeting is held by Secretary (Expenditure) wherein the requirements of funds for various programmes and schemes are discussed. This unit will discuss in detail how the estimates for budget is formulated. The importance of estimating authorities and the preparation of statement of budget estimates will also be explained. 7.1

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OBJECTIVES After going through this unit, you will be able to: ?Understand how the

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OBJECTIVES After going through this unit, you will be able to: ?Understand how the

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OBJECTIVES After going through this unit, you will be able to: ?Understand how the

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OBJECTIVES After going through this unit, you will be able to: ?Understand how the

estimates for budget is formulated ?Discuss the importance of the estimating authorities ?Explain the steps involved in the budget process
 NOTES Self-Instructional Material 49 Preparation of the Budget Process 7.2 ENACTMENT OF THE BUDGET PROCESS The budget cycle normally starts towards the end of September of the current year and lasts till May of the next financial year.

On the presumption that budget shall be presented at 11:00 hours on the last working day of February, the budget division prepares a comprehensive schedule for carrying out the budget preparation activities. In the year in which general elections to the Lok Sabha are held, the interim budget is presented to Parliament on any given day convenient to the government. After the completion of general elections and assumption of office by the new government, the regular budget is presented to the Parliament on any date convenient to government or as decided by the new government. The budget schedule is constantly reviewed by the senior officers to watch the progress since budget span leaves no scope for slippages. The schedule clearly indicates the division/organization/ ministry/department responsible for various tasks/activities along with the timeframe therein. Budget for a year is prepared by the Budget Division in the Ministry of Finance

broadly on the basis of detailed estimates of expenditure and receipts received from various departments/ministries of government of India and its own subordinate estimating authorities.

The general financial rules also prescribe the broad guidelines, procedures and forms for the preparation of budget estimates of receipts and expenditure by the ministries.

The estimates of expenditure are prepared separately for capital and revenue as a constitutional requirement and plan and non-plan in keeping with the existing classification system.

The estimates of plan expenditure are made on the basis of the approved plan allocations intimated by the planning commission.

The

detailed estimates of expenditure are prepared by the estimating authorities

according to their assessments of requirements for the ensuing year, keeping in view the actual requirements in the past, current year's trends of expenditure, the decisions taken by the government which will have a bearing on the funding requirements, etc. The following paragraphs bring out broadly the process of estimation and their collation which leads to the preparation of budget estimates:

Budget Circular The commencement of budget process

takes place with the issue of the budget circular, normally

issued in the month of September each year. The budget circular is issued with the purpose of providing guidance to ministries/departments in framing their

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revised estimates for the current year and the budget estimates for the		

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revised estimates for the current year and the budget estimates for the		

ensuing financial year,

for further rendition to the budget division. This circular gives detailed instructions on the preparation of estimates of various types of receipts and expenditure, including the formats and statements in which the estimates are required to be furnished. The budget circular also outlines the processes that are to be followed with reference to various estimating requirements and the scheduled dates

Preparation of the Budget Process NOTES Self-Instructional 50 Material by which the information in the prescribed formats are required to be made available to budget division. **Estimates of Receipts** Estimation of receipts gives a summary of tax revenue, non-tax revenue, and capital receipts. It also provides, along with the trends, a detailed analysis of tax and non- tax receivables. **Revenue receipt** **Estimates of central taxes and duties**

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administered by the Central Board of Direct Taxes (CBDT) and Central Board of Excise and Customs (

81%	MATCHING BLOCK 216/536	W
administered by the Central Board of Direct Taxes (CBDT) and Central Board of Excise and Customs (

CBEC) as well as the estimates of cess collection as levied by government from time to time are required to be furnished separately by CBEC and CBDT to budget division as per the prescribed timelines. The details relating to commodity-wise estimates of manufacture/imports, duty rates and foreign exchange rate assumptions and projected rates form the main basis of the estimating indirect tax collections. The tax rates decisions and growth assumptions are primarily the basis for making direct tax estimates. These estimates are made available to the budget division in the required format through the Tax Research Unit (TRU) on the CBEC side and Tax Policy Legislation (TPL) division of CBDT. The format largely requires the estimates to be provided under the broad items of taxation along with the estimates provided separately for cess and surcharge. For the purpose of preparing receipts estimates, all other items of revenue receipts are divided into the following categories: (i) Taxes, duties and receipts in relation to Union territories without legislature; (ii) Interest receipts in respect of loans and advances sanctioned by ministries/departments to State and Union territory governments, foreign governments, public sector enterprises and others including government servants, interest charged to commercial undertakings, etc.; (iii) Estimates of revenue receipts adjustable under major head '1605 - external grant assistance' and '1606-Aid material and equipment'; (iv) All other revenue receipts including estimates of cess, but excluding the cess collected by the

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central board of excise and customs and central board of direct taxes.

Receipt estimates, except for items at sub-para (ii) and (iii) above, is to be furnished to the budget division in the form prescribed in Appendix-I of the Budget Circular. This form is also to be used for capital receipts except certain other capital receipts for which specific formats have been prescribed. Estimates of taxes, duties and other revenue receipts in relation to Union territory administrations is required to be furnished to finance ministry by director

NOTES Self-Instructional Material 51 Preparation of the Budget Process of accounts, Andaman and Nicobar Islands Administration and Director of Accounts, Daman and Diu Administration, and for the other Union territories, by the concerned Accountants General.

Dividend receipt For providing the estimates of dividend receipts, the ministries/departments are required to furnish the following statement as prescribed in Appendix-IA of budget circular, indicating company wise details of estimates. Estimates of dividend receipts is required to be furnished company-wise along with the details of total paid up capital, government equity and profit after tax, in the format prescribed in Appendix I-A. These estimates on dividend receipts should be in conformity with circulars issued on dividend payout by the Ministry of Finance. Keeping in view the fact that the explanations furnished with this statement are also the base material for the preparation of the explanatory notes on the receipts budget, adequacy and accuracy of the explanations are very important. Estimates of revenue receipts for external assistance Estimates of revenue receipts, adjustable under the major heads '1605-external grant assistance' and '1606-Aid material and equipment', representing foreign aid receipts in the form of cash grant and commodity grant respectively, are required to be furnished by the ministries/departments in the format as prescribed in Appendix 'I-B' of budget circular, to the Controller of Aid Accounts and Audit, Department of Economic Affairs. The Controller of Aid Accounts and Audit is required to process these estimates in accordance with the procedure separately prescribed and render the consolidated estimates to budget division. A brief note is also required to be added to provide brief description of the project on which the aid is to be utilized. In case of aid received in the form of materials and equipments the relevant grant details and heads of accounts of expenditure under which: ?Utilization of material by central government departments/projects, ?Transfer of material to States, Union territories and other bodies will be adjusted and whether the utilization on transfer will be on plan (State/UT/ Centrally sponsored or central) or non-plan schemes should also be indicated. In those cases where the aid material is proposed to be sold, the receipt major head under which the proceeds will be credited must be indicated. Estimates of interest receipts The estimates of interest receipts are required to be prepared in the following groups: ?Interest receipts from State and Union territory governments ?Interest receipts from foreign governments ?Interest receipts from public sector financial institutions

Preparation of the Budget Process NOTES Self-Instructional Material 52 Interest receipts from industrial and commercial enterprises, both in the public and private sectors ?Interest receipts from statutory bodies (municipalities, port trusts, etc.) ?Interest receipts from departmental commercial undertakings ?Interest receipts from other borrowers (excluding government servants) e.g. dock labour boards, cooperative societies, educational institutions, etc. ?Interest on advances to government servants ?Other interest receipts e.g. premium on loans floated, interest on cash balance investment account—these would mainly pertain to the department of economic affairs The chief controllers of accounts is responsible for preparing estimates of interest receipts with reference to loans outstanding against borrowers in their books including loans expected to be sanctioned during the ensuing financial year. The estimates are required to be furnished after obtaining the approval of the financial adviser. These statements should be furnished in duplicate to the budget division in the form prescribed in Appendix-II of the budget circular and within the date prescribed. In case of 'nil' proposal also, the same is required to be submitted to budget division in writing without fail. A realistic assessment should be made of interest due from Public Sector Undertakings and other loan recipients as well as of loan repayments by them, taking into account the need to ensure that they fully discharge their current interest obligations and also clear their outstanding dues within a practical timeframe. The estimates of interest receipts and recoveries of loans and advances from Public Sector Enterprises including financial institutions must be framed on the basis of the departmental records and the loan register maintained by the pay and Accounts Office and not on what is proposed by the companies or financial institutions. Accordingly, information given in Appendix II-A, should reflect the position as per departmental records. The estimates should show: ?Company-wise defaults in repayment of interest upto the end of last financial year ?Budget Estimates (BE) of last year ?Revised Estimates (RE) of last year and BE for the ensuing financial year, on the basis of current dues as per the loan registers Separately in a footnote as approved by financial adviser, assessment of the prospects of recovery of dues may also be given in 'remarks column'. The amount due for recovery as interest and loan repayment during the current and ensuing fiscal or financial year should be shown distinctly for each Public Sector Undertaking. Estimates relating to interest charged on capital outlay of the departmental commercial undertakings should correspond to the expenditure provisions and the chief controllers of accounts while framing these estimates must

NOTES Self-Instructional Material 53 Preparation of the Budget Process ensure that this correspondence is maintained. The average rate of interest to be adopted for this purpose is advised separately by the Ministry of Finance. Reliefs and concessions provided to various PSUs in the form of write-off of loans, waiver of interest/guarantee fee are required to be reflected in expenditure budget as distinct items of expenditure with equivalent receipts assumed there- under. Even though these are all non-cash expenditure, the receipts so assumed in such cases should also be included while furnishing receipts estimates to budget division. Capital receipts Estimates of capital receipts from ministries/departments will include receipts by way of loan repayments, disinvestment of equity holdings in Public Sector Enterprises, issue of bonus shares by the PSEs in favour of central government, and net receipts under public account transactions. Estimates of receipts by way of loan repayments along with estimates of interest receipts is also required to be furnished in the forms prescribed in Appendix II and II-A of the budget circular. In cases where such receipts are notional, for example due to write off of loans or re- financing through fresh loans or conversion into equity, the fact should be highlighted in the 'remarks' column. Likewise, any modification in the terms of repayment, like extension of period of moratorium and/or repayment should also be clearly mentioned. The estimates should fully reflect the endeavours to realize the amounts due from the various bodies. Estimates of receipts in respect of bonus shares, issued by government companies in favour of the central government, classifiable under major head '4000-miscellaneous capital receipts' is required to be furnished by the chief controller of Accounts in form prescribed in Appendix-I of the budget circular, with company-wise estimates. These estimates should correspond with the provisions for related investments included on the expenditure side. The estimates of disinvestment of equity holdings in Public Sector Enterprises are required to be furnished by department of disinvestment in a centralized manner. Public account The estimates of transactions relating to the public account of India are required to be furnished by the chief controllers of accounts and the concerned accounts officers of Union Territory governments/administrations both with legislatures and without legislatures in the form prescribed in Appendix-III of the budget circular. The concerned accounting organizations should prepare the estimates on the basis of a detailed review of the public account transactions that are accounted for in their books and should be worked out on the basis of the past trends and other information available that would impact the estimates. The estimates of receipts and estimated disbursements should be prepared on separate sheets and should reach budget division by the date prescribed in the budget circular. The estimates relating to Group Insurance Scheme for central government and Union territory employees are not required to be included in this statement by

Preparation of the Budget Process NOTES Self-Instructional 54 Material ministries/departments since these are furnished by the chief controller of accounts, Ministry of Finance in a consolidated manner for the central government employees and by the UT cell of ministry of home affairs for the Union territory government employees. The estimates relating to public account transactions should have footnotes explaining the nature of the transactions and should provide adequate explanation for any major variation in budget estimates with reference to actual receipts in the past year. The estimates should be furnished to budget division after getting it approved by the concerned financial adviser, in a consolidated manner for the ministry/ department as a whole (demand-wise) and should be complete in all respects. Ministry of Railways (Railway Board), Ministry of Defence (Finance Division) and Department of Telecommunications are required to furnish the estimates of public account transactions in their cash requirement estimates. Normally, ministries/departments should not have any large transactions in public account except in areas like provident funds and approved special deposits. There should not ideally be any net debit or credit in a year in the public account transactions and, therefore, it will not be accepted except with full justification for such instances. Estimates of expenditure The estimates of expenditure are required to be furnished to budget division in stages. The estimates are finalized after Secretary (Expenditure) has held discussions with the financial advisers of the ministries/departments. These discussions are normally scheduled to commence around end of October/November and are held to decide the net budgetary ceilings of each ministry/department—that is, expenditure—less dedicated revenue receipts and capital receipts which are netted. The following aspects are required to be kept in view by the ministries/departments while formulating the expenditure estimates: It is necessary to review the existing expenditure budget in the first instance, to prioritize the activities and schemes, both on the plan and non-plan side and identify those activities and schemes, which can be eliminated or reduced in size or merged with any other scheme. Departments should ensure that all schemes that have been discontinued, do not find mention in revised estimates of the current year. Similarly, schemes that are not to continue beyond the current year should not be included for budget estimates of ensuing year. A mention of the schemes discontinued or merged should be made in the notes below the statement of budget estimates. Under the standing instructions of this ministry, no provision should normally be made in the budget without completion of pre-budget scrutiny of a project/scheme. Where, however, provision has been made without the necessary scrutiny, such scrutiny should be completed and appropriate approvals obtained before the commencement of the financial year and passing of budget by the Parliament.

NOTES Self-Instructional Material 55 Preparation of the Budget Process While framing the estimates, due note may also be taken of the past performance, the stages of formulation/implementation of the various schemes, the institutional capacity of the implementing agencies to implement the scheme as scheduled, the constraints on spending by the spending agencies, and most importantly the quantum of government assistance lying with the recipients unutilized, etc., with a view to minimize the scope for surrenders at a later stage. The public accounts committee requires that savings in a grant amounting to 100 crore and above be explained to the committee. The other Parliamentary committees have also been repeatedly expressing concern over incidence of large savings in the grant. Budget Division, Ministry of Finance has issued instructions on the need for the individual ministry/department to put in place effective mechanism for realistically assessing their requirement of funds in a way that would ward off the occurrence of unwarranted surrender of savings at a later date. For providing grants-in-aid to autonomous bodies and institutions, the instructions contained in Rule 209 of the General Financial Rules, 2005 may be kept in view. In cases where activities of a body cover more than one function of the government and where the body is likely to approach several departments for grants, consultation should take place between the concerned departments before the grants are approved. The body should be specifically asked to furnish details of assistance received or proposed to be received from other central government departments or from the State governments. It is necessary to take into account the economy instructions issued from time to time by the finance ministry, including the need to bring down subsidies through improvement of operational efficiency and effective direction of flow of subsidies to targeted groups. The estimates must conform and abide by the prescribed cuts and economy measures. No provision may be made in the establishment budget for posts, which are lying vacant for one year or more. Even otherwise, provisioning for vacant posts should be made with circumspection so as to avoid chances of eventual savings due to these vacant posts not being filled up. The provision for externally aided projects may be made under identifiable heads, segregated from other items of expenditure as in the form at Appendix IX-B of the budget circular. Ministries/ departments make plan provisions against externally aided projects and show these in a separate annex viz., 'statement showing project-wise provisions for expenditure on externally-aided projects in the central plan' in the 'detailed demands for grants' of the concerned ministry/department, in the form at Appendix X-B of the budget circular. It has been observed that there is a time lag between incurrence of expenditure and claiming reimbursement thereof from the concerned donors. This puts pressure on the Government of India. In order that the eligible expenditures are promptly lodged in the form of claims with the relevant donors through the Office of Controller of Aid Accounts and Audit for seeking disbursement of the Preparation of the Budget Process NOTES Self-Instructional 56 Material committed external assistance, financial advisers should hold periodical reviews in this regard. Budget provision made in BE of the current year against externally aided projects and the action taken to claim reimbursements thereof from the external donors, is normally reviewed in the pre-budget review meetings to be taken by Secretary (Expenditure). Items of expenditure which are linked to receipts, like those met from proceeds of cess or 1605-external grant assistance or 1606-aid material and equipment is also required to be similarly segregated in the statement of budget estimates. Subsidies provided towards payment of interest fall under two categories. They are as follows: ?100 per cent subsidy ?Interest differential (part subsidy) These two items are to be shown distinctly in statement of budget estimates. With a view to maintaining uniformity in the treatment of provision for Voluntary Retirement Scheme(VRS)/Voluntary Separation Scheme (VSS) to Central PSUs, it is required that these amounts should be depicted as a non-plan loan, unless otherwise approved by the finance ministry. As per Article 112 of

the Constitution of India, annual financial statement shall distinguish expenditure on revenue account from other expenditure.

Rule 46(2) of general financial rules, 2005 (GFR) mentions that the estimates of expenditure shall distinguish provisions for expenditure on revenue account from that for other expenditure including expenditure on capital account on loans by the government and for repayment of loans, treasury bills and ways and means advances. All the ministries/departments are required to refer to these rules and prepare the budget estimates in compliance of the statutory obligations. Plan provisions for North-Eastern region and Sikkim All the ministries/departments (except those specifically exempted by ministry of development of North Eastern Region) are required to spend 10 per cent of the gross budget support from their central plan for the benefit of North Eastern Region and Sikkim. Budget division's O.Ms. dated 24th April, 2001 (Annex – C of the budget circular), 13th September, 2002 (Annex –D of the budget circular), 14th September, 2005 (Annex – E of the Budget Circular) and 5th February, 2007 (/ Annex-E-I of the budget circular) in this connection may be kept in view. While sending the RE (Plan) for the current year, the ministries/departments should separately show the central plan expenditure on schemes/projects benefitting the North Eastern Region and Sikkim. Budget provisions towards projects/schemes for development of North Eastern Region and Sikkim have, hitherto, been provided as 'lump sum' under the Major Head '2552-North Eastern Region' for revenue expenditure and the major head '4552-Capital Outlay on North Eastern Region' for capital expenditure for eventual re-appropriation to appropriate functional heads of expenditure. However, such lump sum provisions should be desegregated upto

NOTES Self-Instructional Material 57 Preparation of the Budget Process object head level corresponding to different functional major/sub-major/minor heads, in the detailed demands for grants and provided for under the major head '2552-North Eastern Region' for revenue expenditure and the major head '4552- capital outlay on North Eastern Region' for capital expenditure or '6552-loans for North Eastern Region' for eventual re-appropriation. The purpose is to facilitate information to Parliament about the nature of expenditure, end-beneficiary, etc. After approval of the budget by Parliament, the expenditure provisions can be transferred to the functional head through re-appropriation for incurring expenditure by exercise of powers delegated in Finance Ministry's D.O. letter. Other instruction on preparation of statement of budget estimates The statement of budget estimates included in the expenditure budget, Volume 2, should normally show distinctly, the schemes etc. for which budget provision is 10 crore or more. Important schemes, irrespective of the provision should also be reflected separately in the statement of budget estimates. Further, the estimates in the expenditure budget Vol. 2 (and also demands for grants) are expressed in rupees in crore with two decimal places. Under the present system of rounding, major head under which the total provision is less than 50,000 gets excluded from the two documents referred to above. This causes discrepancy with detailed demands for grants in which the provisions are expressed in thousands of rupees. In such cases the major head, scheme, etc., should be shown in the Statement of Budget Estimate (SBE) and the demands for grants with a footnote that 'the provision is less than 1 lakh'. Sanction of Estimates

The estimating authorities forward the budget proposals to their departmental heads for consideration and onward transmission to the ministries administratively concerned. These ministries scrutinize the estimates, make modifications where necessary, and transmit these revised estimates to the financial adviser for further examination and processing. The financial adviser ensures the correctness of accounts classification, makes modifications as may be called for in his judgment in the context of economy and other considerations, consolidates the estimates for each programme/organization to present a complete picture of their financial costs, and obtains approval of the Secretary (Expenditure) in the Ministry of Finance, wherever necessary. Departmental budgets are then forwarded to the budget division.

For framing the detailed estimates, the estimating authorities are to assess with good care their receipts and requirements. They should be judicious so that there is no extravagance in making provisions and no under estimation of receipts. They are to keep in mind that unnecessary provision of expenditure or under estimation of receipts may lead to avoidable tax burden or exclusion of some important items of expenditure for which otherwise provision could be made. Under estimation of expenditure or over estimation of receipts may similarly result in

Preparation of the Budget Process NOTES Self-Instructional 58 Material undesirable deficit at the end of the year because of excess expenditure and/ or lesser receipts. The detailed estimates of receipts for the ensuing year are prepared by the estimating authorities on the basis of the rates applicable during the current year. They have to take into account the normal rate of growth, on the basis of experience and latest trends, and also unrealized arrears relating to earlier years, if any.

While the prescribed date for receipt of the estimates of receipts by the budget division is normally not later than the end of December, the date for estimates of expenditure is

normally 31st

October. The estimates of departmental receipts and expenditure received in the budget division are duly scrutinized and then accepted for incorporation in the budget

documents through a detailed process, which has been explained later in the section budget finalization. The sanction of estimates is done in accordance with the provisions under Rule 49 of the GFR, 'acceptance and inclusion of estimates', which inter alia states that: ?The estimates of receipts and expenditure of each ministry /department will be scrutinized in the budget division of the ministry of finance. Finance Secretary or Secretary (Expenditure) may hold meetings with Secretaries or financial advisers of administrative ministries or departments to discuss the totality of the requirements of funds for various programmes and schemes, along with receipts of the ministries or departments. ?The estimates initially submitted by the departments may undergo some changes as a result of scrutiny in the budget division, ministry of finance and deliberations in the pre-budget meetings between the Finance Secretary or Secretary (expenditure) and the Secretary or financial adviser of the department concerned. The final estimates arrived at on the basis of scrutiny and pre-budget meetings will be accepted by the Budget Division, Ministry of Finance and incorporated in the budget documents.

The ministries/departments are required to review the statement of budget estimates for the current year in respect of their demands for grants and suggest to budget division such modifications as may be required keeping in view the guidelines mentioned above. Submission of Estimates for the Budget Discussion (Proposed Statement of Budget Estimates) Before the submission of the statement of budget estimates which will be furnished after the finalization of the budgetary ceilings during the pre-budget meetings, the ministries/departments are required to submit the statement of proposals for pre- budget discussion in the form prescribed in Appendix IV. For furnishing the above estimates, the ministries/departments will, as usual, arrange to obtain the estimates of expenditure for the current year and the next year from various organizations and units under their control. The estimates may be obtained in the form prescribed in budget circular and may be modified to suit NOTES Self-Instructional Material 59 Preparation of the Budget Process the special requirements of individual ministries/departments. The estimates will be scrutinized by the administrative units of the ministry/department and forwarded to the financial adviser for further examination and processing. The estimates finally recommended by the financial adviser will be summarized in the form of statement of budget estimates (proposed) and eighteen (18) copies thereof forwarded to the budget division of the ministry of finance. The estimates will be on the same pattern as appearing in the expenditure budget Vol. 2 of the current year. SBE items of omnibus nature like 'other programmes' may be desegregated so that they are below 10 crore. The expenditure on 'salaries and wages' may be shown separately. Further, the expenditure met from any cess or on externally aided projects (reimbursable portion) may be distinctly identified. The form in which these estimates including recoveries are to be furnished is at Appendix IV to IV-B as in budget circular. Pre-budget meetings Preparation of revised estimates of receipts and expenditure for the current year necessarily precedes the estimation for the budget for the ensuing year, although preparation of the budget estimate for the ensuing year is also completed before the end of current financial year. The revised estimates for the current year are however prepared before the budget estimates of the ensuing year as the supplementary demands are based on the revised estimates of expenditure for the current year, which have to be obtained before the end of the current financial year. The figures of the revised estimates are finalized in the pre-budget meetings with Secretary (Expenditure) along with the non plan budget estimates,

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for the ensuing year. On the basis of the revised estimates of

expenditure, supplementary demands for grants are prepared by the Government of India under Article 115 of the Constitution. Pre-budget discussion with secretary expenditure The ministries/departments are required to prepare the statement of budget estimates for RE of current year and the ensuing year's budget estimates for pre- budget discussions with Secretary (Expenditure). The dates of discussions are intimated separately. In the meantime, financial advisers are required to process the SBEs and forward the same to budget division by the date prescribed in the budget circular. In the statement of budget estimates (proposed) by the ministries/ departments, the current year RE for plan and non-plan expenditure and non plan BE for the ensuing year is to be indicated separately for revenue and capital expenditure. In preparing RE, the following factors inter alia, must be taken into consideration: ?Latest actuals during current year ? Actuals for the same period in preceding year

Preparation of the Budget Process NOTES Self-Instructional 60 Material ?Actuals in past year/previous years ?Appropriations/re-appropriations, ordered/contemplated during remaining part of the year, or any sanction to expenditure issued/proposed to be issued during the remaining part of the year ?Any other relevant factor which may be foreseen at the time of framing the RE for the current year or BE for the ensuing year ?Actual expenditure up to September, of previous year against BE of previous year as also actual expenditure up to September, in the current year against BE of current year may supplement the process of finalization of RE for the current year; actual expenditure may be reconciled with the monthly accounts compiled by controller general of accounts before incorporating the same in the revised Appendix IV-B of the budget circular ?The following information may also be furnished to budget division along with the SBEs (proposed):

- o Effect of additional installments of dearness allowance sanctioned in the current year and the net additionality asked therefore (that is, after setting off against savings, if any)
- o Estimates of committed expenditure, which is being provided for the first time as non-plan in RE of current year and thereafter in BE of the ensuing year
- o Items of expenditure, which are matched by or linked to receipts like externally, aided projects, bonus share, cess, etc.
- o Provision included in respect of vacant posts
- o Separate statement indicating (a) Plan provision made scheme/project-wise in BE of the current year against externally aided projects, (b) expenditure incurred up to August/September of the current year, (c) amount for which claims have been lodged with the office of Controller of aid accounts and audit, DEA seeking reimbursement from the external donor and (d) requirement in RE for the current year
- o Details of authorized and held manpower and current/arrear liability on account of pay and allowances in respect of CPSUs and substantially financed autonomous bodies getting non-plan budget support
- o Unspent balances as on 31st March, of the current year with all grantee/ loanee bodies (other than the States) in respect of all bodies which received more than 1 crore grant/loan during the previous financial year (Separate details for each body)
- o Unspent balances, State-wise and scheme wise, as on 31st March, of the current year, in respect of all schemes

NOTES Self-Instructional Material 61 Preparation of the Budget Process

- o Status of pending utilization certificates
- o Explanations for variations between BE of the current year and RE of the current year (proposed) may be given scheme-wise separately. Any increase/decrease in BE for the ensuing year (proposed) may also be explained suitably

Note : The pre-budget meeting of the ministry/department is generally scheduled only after receipt of full information as required above. The briefs for the pre-budget meetings are prepared by the officers in the budget division as per the horizontal allocation of ministries/departments and the related demands. As far as possible, the briefs are to be prepared as per the following internal guidelines of the budget division, and the brief for the previous year may also be referred to for any relevant information for the ensuing budget estimates. At first, the details should be for proposing an RE (for the current year). In the calculation of the ceiling, due cognizance should be taken of the department of expenditure's economy instructions (a copy of which is made available in the budget circular). BE for the ensuing financial year should be discussed thereafter for non-plan. If detailed items of expenditure exist, then these should be put down in a tabular form. Allowing for increase in the salary component as per the guidelines enunciated in the department of expenditure's economy instructions, a tentative ceiling may be indicated. Other related issues All the briefs containing detailed revised estimate/budget estimate information are required to be invariably submitted to JS/AS (budget) and Secretary (expenditure) well in advance of the meeting date. These briefs are also circulated to all Dy. Secretaries/directors of budget division. Apart from the normal circulation in the budget division, the briefs are also sent to AS (Expenditure), JS (Personnel), JS (Plan Finance-I) and JS (Plan Finance-II) ministries/departments are also required to deposit a copy of the information furnished by them for the pre-budget discussions to the nodal officer in the planning commission. On the folder of pre-budget briefs, the date and time of the meeting along with the name of the financial adviser, the chief controller of accounts and the representative of the planning commission may be pasted. Every officer in the budget division is required to work with a well defined time table to ensure that the task allotted to each officer is completed as per schedule. In the discussions during the meetings taken by Secretary (expenditure), the totality of the requirements of funds for various programmes and schemes are discussed, along with receipts of the departments (viz. interest receipts, dividends, loan repayments, departmental receipts, receipts of departmental commercial undertakings, etc). The indicative budget figures are discussed on a net basis. The estimates initially submitted by the departments may undergo some changes as a result of scrutiny in the budget division, ministry of finance and deliberations in the

Preparation of the Budget Process NOTES Self-Instructional 62 Material pre-budget meetings between the Finance Secretary or Secretary (Expenditure) and the Secretary or financial adviser of the department concerned. The final estimates arrived at on the basis of scrutiny and pre-budget meetings will be accepted by the budget division, ministry of finance and incorporated in the budget documents. Statement of budget estimates (Final) After the pre-budget meetings are over, the approved ceilings for expenditure, as finalized in these meetings, are communicated, including ceilings for plan and non-plan expenditure (the revenue and capital expenditure break up is finalized within the concerned ministries/departments by the financial advisers), the financial advisers are required to prepare the statement of budget estimates (final) in form Appendix IV-A of the budget circular and forward to budget division. Check Your Progress 1. Which department is responsible for preparing the budget in India? 2. In which month is the budget circular issued? 3. What is the purpose of issuing the budget circular? 4. Who is responsible for preparing estimates of interest receipts? 5. Who furnishes the estimates of transactions relating to the public account of India? 6. What are the important factors that should be considered while preparing expenditure estimates? 7. What does unnecessary provision of expenditure or underestimation of receipts lead to? 7.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1.

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The Budget is prepared by the Budget Division in the Ministry of Finance. 2. The budget circular is issued in the month of September each year. 3. The budget

circular is issued with the purpose of providing guidance to ministries/ departments in framing their

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revised estimates for the current year and the budget estimates for the

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revised estimates for the current year and the budget estimates for the

ensuing financial year,

for further rendition to the budget division. 4. The chief controllers of accounts is responsible for preparing estimates of interest receipts with reference to loans outstanding against borrowers in their books including loans expected to be sanctioned during the ensuing financial year.

NOTES Self-Instructional Material 63 Preparation of the Budget Process 5. The estimates of transactions relating to the public account of India are required to be furnished by the chief controllers of accounts and the concerned accounts officers of Union Territory governments/administrations. 6. Before preparing the expenditure estimates, it is necessary to review the existing expenditure budget in the first instance, to prioritize the activities and schemes, both on the plan and non-plan side and identify those activities and schemes, which can be eliminated or reduced in size or merged with any other scheme. 7. Unnecessary provision of expenditure or underestimation of receipts may lead to avoidable tax burden or exclusion of some important items of expenditure for which otherwise provision could be made. Underestimation of expenditure or over estimation of receipts may similarly result in undesirable deficit at the end of the year because of excess expenditure and/ or lesser receipts. 7.4 SUMMARY ?The budget cycle normally starts towards the end of September of the current year and lasts till May of the next financial year. ?

Budget for a year

is prepared by the Budget Division in the Ministry of Finance

broadly on the basis of detailed estimates of expenditure and receipts received from various departments/ministries of government of India and its own subordinate estimating authorities. ?The commencement of budget process

takes place with the issue of the budget circular, normally

issued in the month of September each year. The budget circular is issued with the purpose of providing guidance to ministries/ departments in framing their

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revised estimates for the current year and the budget estimates for the

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revised estimates for the current year and the budget estimates for the

ensuing financial year,

for further rendition to the budget division. ?Estimation of receipts gives a summary of tax revenue, non-tax revenue, and capital receipts. It also provides, along with the trends, a detailed analysis of tax and nontax receivables. ?Estimates of taxes, duties and other revenue receipts in relation to Union territory administrations is required to be furnished to finance ministry. ?Estimates of dividend receipts is required to be furnished company-wise along with the details of total paid up capital, government equity and profit after tax, in the format prescribed in Appendix I-A. ?Estimates of revenue receipts, adjustable under the major heads '1605- external grant assistance' and '1606-Aid material and equipment', representing foreign aid receipts in the form of cash grant and commodity grant respectively, are required to be furnished by the ministries/departments

Preparation of the Budget Process NOTES Self-Instructional 64 Material in the format as prescribed in Appendix 'I-B' of budget circular, to the Controller of Aid Accounts And Audit, Department Of Economic Affairs. ?The chief controllers of accounts is responsible for preparing estimates of interest receipts with reference to loans outstanding against borrowers in their books including loans expected to be sanctioned during the ensuing financial year. ?The estimates of interest receipts and recoveries of loans and advances from Public Sector Enterprises including financial institutions must be framed on the basis of the departmental records and the loan register maintained by the Pay and Accounts Office and not on what is proposed by the companies or financial institutions. ? Estimates of capital receipts from ministries/departments will include receipts by way of loan repayments, disinvestment of equity holdings in Public Sector Enterprises, issue of bonus shares by the PSEs in favour of central government, and net receipts under public account transactions. ?The estimates of transactions relating to the public account of India are required to be furnished by the chief controllers of accounts and the concerned accounts officers of Union Territory governments/administrations both with legislatures and without legislatures in the form prescribed in Appendix-III of the budget circular. ?The estimates of expenditure are required to be furnished to budget division in stages. The estimates are finalized after Secretary (Exp.) has held discussions with the financial advisers of the ministries/departments. These discussions are normally scheduled to commence around end of October/ November and are held to decide the net budgetary ceilings of each ministry/ department ?All the ministries/departments (except those specifically exempted by ministry of development of North Eastern Region) are required to spend 10 per cent of the gross budget support from their central plan for the benefit of North Eastern Region and Sikkim. ?The statement of budget estimates included in the expenditure budget, Volume 2, should normally show distinctly, the schemes etc. for which budget provision is 10 crore or more. Important schemes, irrespective of the provision should also be reflected separately in the statement of budget estimates. ? The estimating authorities forward the budget proposals to their departmental heads for consideration and onward transmission to the ministries administratively concerned. These ministries scrutinize the estimates, make modifications where necessary, and transmit these revised estimates to the financial adviser for further examination. The financial adviser ensures the correctness of accounts classification, makes modifications as may be called

NOTES Self-Instructional Material 65 Preparation of the Budget Process for in his judgment, consolidates the estimates for each programme/ organization to present a complete picture of their financial costs, and obtains approval of the Secretary (Expenditure) in the Ministry of Finance, wherever necessary. Departmental budgets are then forwarded to the budget division. ?Before the submission of the statement of budget estimates, the ministries/ departments are required to submit the statement of proposals for prebudget discussion in the form prescribed in Appendix IV. ?The figures of the revised estimates are finalized in the pre-budget meetings with Secretary (Expenditure) along with the non plan budget estimates,

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for the ensuing year. On the basis of the revised estimates of

expenditure, supplementary demands for grants are prepared by the government of India under Article 115 of the Constitution. ?All the briefs containing detailed revised estimate/budget estimate information are required to be invariably submitted to JS/AS (budget) and Secretary (expenditure) well in advance of the meeting date. These briefs are also circulated to all Dy. Secretaries/directors of budget division. 7.5 KEY WORDS ?Cess: It is a tax that is usually levied for promoting services like health, education, etc. ?Surcharge: It is an extra fee, charge, or tax that is added on to the cost of a good or service, beyond the initially quoted price. ?Loans: It is a sum of money that one or more individuals or companies borrow from banks or other financial institutions so as to financially manage planned or unplanned events. ?Moratorium: It is a temporary suspension of an activity or law until future consideration warrants lifting the suspension. It may be imposed by a government, by regulators, or by a business. 7.6 SELF ASSESSMENT

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QUESTIONS AND EXERCISES Short-Answer Questions 1. Write a short note on

budget circular. 2. What are the categories into which items of revenue receipts are divided? 3. List the groups in which estimates of interest receipts are divided. 4. Write a short note on statement of budget estimates.

Preparation of the Budget Process NOTES Self-Instructional 66 Material Long-Answer Questions 1. Discuss interest receipts and its estimates in detail. 2. Explain the factors on the basis of which expenditure estimates are evaluated. 3. Analyse the steps involved in formulation of budget estimates. 7.7 FURTHER READINGS

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Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.

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NOTES Self-Instructional Material 67 Execution of the Budget Process UNIT 8 EXECUTION OF THE BUDGET PROCESS Structure 8.0 Introduction 8.1 Objectives 8.2 Implementation of the Budgetary Process 8.3 Public Borrowings 8.4 Deficit Financing 8.5 Answers to Check Your Progress Questions 8.6 Summary 8.7 Key Words 8.8 Self Assessment Questions and Exercises 8.9 Further Readings 8.0 INTRODUCTION The budget is implemented after its preparation and enactment and the various departments and ministries of the government are given a green signal to spend the allocated amount on important schemes and programmes. The accounts of the ministries are also checked to determine whether the grants have been utilized properly and in accordance with the prescribed norms. General Financial Rules (GFR) lay down provisions regarding expenditures related to public matters as well as allocation and re-appropriation of funds. An organized system of checks and measures is also implemented to avoid any discrepancy. This unit attempts to provide an understanding of the implementation of the budgetary process and other aspects related to it. 8.1

OBJECTIVES After going through this unit, you will be able to: ?Understand the execution of the budget process ?Discuss the concepts of

public borrowings and deficit financing 8.2 IMPLEMENTATION OF THE BUDGETARY PROCESS In the entire budget process commencing with the issue of budget circular there is a need for maintaining secrecy, accuracy and timeliness in the work related to the preparation of budget. All the statements, information and inputs require intensive Execution of the Budget Process NOTES Self-Instructional 68 Material checking with special attention given to the manually generated statements, for which an additional level of check is to be ensured. The list of such statements allocated/distributed amongst the staff and officers is circulated internally every year in the budget division, with the approval of JS/AS (budget). In addition, concerned under Secretaries in the budget division are required to follow up with ministries/departments for the receipt of information regarding different statements/ annexures of budget documents for which they are responsible, ensuring that they are received and processed within the given timelines. Budget Implementation Rule 51 Of the GFR , lays down provisions regarding 'the communication and distribution of grants and appropriations', which inter alia states that 'after the appropriation bill relating to budget is passed, the ministry of finance shall communicate budget provisions to the ministries/departments which, in turn, shall distribute the same to their subordinate formations. The distribution so made shall also be communicated to the respective pay and accounts officers who shall exercise check against the allocation to each subordinate authority. Role of departments in spending and control The relevant administrative ministry has the main responsibility for ensuring that: ?Expenditure is incurred for the approved purpose. ?It is within the sums allotted. ?It has been incurred under the authority competent to sanction it. ?Due prudence has been shown in its incurrence. As ministries have delegated their powers to lower functionaries, the basic responsibility is shifted to the particular functionary concerned, but overall responsibility remains with the administrative ministry. As per rules, no public authority can incur any expenditure or enter into any liability involving expenditure or transfer of moneys for investment or deposit from government account unless such expenditure or transfer, as the case may be, has been sanctioned by general or special orders of the government or by any authority to which power has been delegated in this regard. No expenditure can be incurred against a sanction unless funds are made available to meet the expenditure by valid appropriation or re- appropriation. The government authorities have to comply with rules prescribed in the general financial rules and the delegation of financial power rules in all financial matters. The designated controlling authorities have to ensure

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authorized grants but also that the funds allotted to spending units are expended in the public interest and on objects for which the money was provided. In

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authorized grants but also that the funds allotted to spending units are expended in the public interest and on objects for which the money was provided. In

order to maintain proper control, the controlling officer obtains information on not only what has actually been spent from the grants

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but also what commitments and liabilities have been and will be incurred against

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but also what commitments and liabilities have been and will be incurred against

them. He must be in a position to assume, before the government and public accounts committee, complete responsibility for departmental expenditure and to explain or to justify any instance of excess expenditure or financial irregularity that may be brought to notice as a result of audit scrutiny or otherwise. In the discharge of his ultimate responsibility for the administration of a grant, or a part thereof, placed at his disposal, every

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controlling officer must satisfy himself that adequate provisions exist within the departmental organization for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of his subordinate officers and to guard against waste and loss of public money and stores, to ensure that the prescribed checks are effectively applied.

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controlling officer must satisfy himself that adequate provisions exist within the departmental organization for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of his subordinate officers and to guard against waste and loss of public money and stores, to ensure that the prescribed checks are effectively applied.

As regards receipts, it is the duty of the departments concerned to ensure that the dues of government are correctly and promptly assessed and paid into the treasury/bank. All money received by or on behalf of government either as dues of government or for deposit, remittance or otherwise are required to be brought into government account without delay in accordance with the prescribed rules and regulations.

Control of expenditure against budget Rule 52 of the GFR lays down provisions relating to the responsibility for control of expenditure, which are as follows: ?Departments of the central government shall be responsible for the control of expenditure against the sanctioned grants and appropriations placed at their disposal.

The control shall be exercised through the heads of departments and other controlling officers, if any, and disbursing officers subordinate to them. ?A grant or appropriation can be utilized only to cover the charges (including liabilities, if any, of the past year) which are to be paid during the financial year of the grant or appropriation and adjusted in the account of the year. No charges against a grant or appropriation can be authorized after the expiry of the financial year. ?

No expenditure shall be incurred which may have the effect of exceeding the total grant or appropriation authorized by Parliament by law for a financial year, except after obtaining a supplementary grant or appropriation

or an advance from the contingency fund. Since voted and charged portions as also the revenue and capital sections of

a grant/appropriation are distinct and re-appropriation inter se is not permissible, an excess in any one portion or section is treated as an excess in the grant /appropriation. ?To have effective control over expenditure by the departments, controlling and disbursing officers subordinate to them shall follow the procedure given below: o For withdrawal of money the drawing and disbursing officer shall: ? Prepare and present bills for 'charged' and 'voted' expenditure separately. Execution of the Budget Process NOTES Self-Instructional 70 Material ?Enter on each bill the complete accounts classifications from major head down to the object head of account. When a single bill includes charges falling under two or more object heads, the charges shall be distributed accurately over the respective heads. ?Enter on each bill the progressive total of expenditure up-to- date under the primary unit of appropriation to which the bill relates, including the amount of the bill on which the entry is made. o Maintaining expenditure register ?All disbursing officers shall maintain a separate expenditure register in Form GFR 9, for allocation under each minor or sub- head of account with which they are concerned. ?

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On the third day of each month, a copy of the entries made in this register during the

preceding month shall be sent by the officer maintaining it to the head of the department or other designated controlling officer. This statement shall also include adjustment of an inward claim, etc., communicated by pay and accounts officer directly to the DDO (and not to his grant controlling officer). If there are no entries in the register in any month, a 'nil' statement shall be sent. o Receipt of accounts from officers ?The controlling officer will maintain a broadsheet in Form GFR 10 to monitor the receipt of the return prescribed in the foregoing sub-clause; ?On receipt of the returns from disbursing officers, the controlling officer shall examine them and satisfy himself: (i) That the accounts classification has been properly given; (ii) That progressive expenditure has been properly noted and the available balances worked out correctly; (iii) That expenditure up-to-date is within the grant or appropriation; and (iv) That the returns have been signed by disbursing officers. Where the controlling officer finds defects in any of these respects, he shall take steps to rectify the defect. o When all the returns from the disbursing officers for a particular month have been received and found to be in order, the controlling officer shall compile a statement in Form GFR 11, in which he will incorporate: ?The totals of the figures supplied by disbursing officers ?The totals taken from his own registers in Form GFR 9 NOTES Self-Instructional Material 71 Execution of the Budget Process ?The totals of such adjustments under the various detailed heads as communicated to him by the accounts officer on account of transfer entries and expenditure debited to the grant as a result of settlement of inward account claims and not reckoned by his DDOs. o If any adjustment communicated by the accounts officer affects the appropriation at the disposal of a subordinate disbursing officer, the fact that the adjustment has been made shall be communicated by the controlling officer to the disbursing officer concerned. o On receipt of all the necessary returns, the head of the department shall prepare a consolidated account in Form GFR 12, showing the complete expenditure from the grant or appropriation

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at his disposal up to the end of the preceding month. ?

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, and as per the reconciliation procedure laid down in the general financial rules. Cash management and exchequer control Exchequer control based expenditure management was initially introduced from 1 April 2006. Based on the working of the scheme, it was decided to expand and modify the scheme as detailed below. The modified cash management system seeks to achieve, inter alia , the following objectives: ?Obtain greater evenness in the budgeted expenditure within the financial year, especially in respect of items entailing large sums of advance releases and transfers to corpus funds ?Reduce rush of expenditure during the last quarter, especially the last month of the financial year ?Reduce tendency of parking of funds ?Effectively monitor the expenditure pattern ?Better planning of indicative market borrowing calendar of the central government The scheme has been made applicable on 23 demands for grants for the time being (with effect from 2007-08), and the financial advisers have been made responsible for the implementation of the modified expenditure management system. The scheme provides that in respect of each demand for grant, a Monthly Expenditure Plan (MEP), separately for plan and non plan expenditure would be worked out and included in the suggested format, as an annexure to the said detailed demand for grant. MEP would also form the basis of Quarterly Expenditure Allocations (QEA), implying, the department/ministries concerned may not issue

Execution of the Budget Process NOTES Self-Instructional 72 Material cheques beyond the QEA (which would be equivalent to the sum of provisions under MEP), without the prior consent of ministry of finance, Cash Management Cell (budget division). MEP and the QEA may be made in gross terms. The Monthly Expenditure Plan (MEP) may be finalized taking into account that: ?MEP for the month of March may not exceed 15 per cent of the budgeted provision (budget estimate); ?MEP for the months of January-March may be so fixed that the QEA for the last quarter may not exceed 33 per cent of the budgeted provision; and ?Keeping in view the extant guidelines of ministry of finance, department of expenditure, expenditure control would apply cumulatively at the demand for grants levels only, i.e., inter se variations between months within a quarter, between plan and non plan and between schemes would be permissible, subject to statutory restrictions and extant guidelines. Savings under the QEA would not be available for automatic carry forward to the next quarter and the department/ministry would require to approach ministry of finance for revalidation of such savings through modification in the MEP and thereby QEA. Spill over in respect of MEP, not inconsistent with QEA would not require prior revalidation from ministry of finance, but may be included in the quarterly modification. The scheme provides that the ministry of finance is to consider such requests for revalidation within a period of 15 days of receipt of such request, failing which the request for revalidation would be deemed to have been granted. The scheme further provides that the MEP and QEA pertaining to the 4th quarter of the financial year would be subsumed in the finalization of the revised estimates for the financial year. In respect of demands for grants not covered by the modified exchequer management system, it has been advised that the expenditure in the last quarter of the financial year may not exceed 33 per cent of the budget allocation for those demands for grants. However, in the event of revised estimate being fixed lower than the budget estimate, actual expenditure may be kept within the revised estimate. Re-Appropriations The executive government is allowed to re-appropriate provisions from one sub- head to another within the same grant, thus altering the destination of an original provision for one purpose to another, subject to the limits and restrictions laid down. The Comptroller and Auditor General and the Public Accounts Committee Reviews these re-appropriations, and wherever necessary, comments on them for taking necessary corrective actions. As per Rule 59 of the general financial rules , the provisions relating to the re-appropriation of funds, state that: ?Subject to the provisions of Rule 10 of the delegation of financial powers rules, 1978, and also subject to such other general or specific restrictions

NOTES Self-Instructional Material 73 Execution of the Budget Process as may be imposed by the finance ministry in this behalf, re-appropriation

of funds from one primary unit of appropriation to another such unit within a grant or appropriation,

may be sanctioned by a competent authority

at any time before the close of the financial year to

which such grant or appropriation relates. ?Re-appropriation

of funds shall be made only when it is known or anticipated that the appropriation for the unit from which funds are to be transferred will not be utilized in full or that savings can be affected in the appropriation for the said unit. ?Funds shall not be re-appropriated from a unit with the intention of restoring the diverted appropriation to that unit when savings become available under other units later in the year. ?An application for re-appropriation of funds should ordinarily be supported by a statement in Form GFR 4 or any other special form authorized by departmental regulations showing how the excess is proposed to be met. In all orders, sanctioning re-appropriation, the reasons for saving and excess of Rupees 1 lakh or over and the primary units (secondary units, wherever necessary), affected should be invariably stated. The authority sanctioning the re-appropriation should endorse a copy of the order to the accounts officer. Rule 10 of the delegation of financial powers rules lays down the general restrictions relating to: ?Appropriations and re-appropriations, which are as follows: o Funds shall not be appropriated or re-appropriated to meet expenditure which has not been sanctioned by an authority competent to sanction it. o Funds provided for charged expenditure shall not be appropriated or re-appropriated to meet votable expenditure and funds provided for voted expenditure shall not be appropriated or re-appropriated to meet charged expenditure. o No re-appropriation shall be made from one grant or appropriation for charged expenditure to another grant or appropriation for charged expenditure. o Funds shall not be appropriated or re-appropriated to meet expenditure on a new service or new instrument of service not contemplated in the budget as approved by Parliament. o Expenditure on works shall be subject to the following further conditions, namely: ?Funds shall not be appropriated or re-appropriated to any work which has not received administrative approval and technical sanction as prescribed by the government from time to time.

Execution of the Budget Process NOTES Self-Instructional 74 Material ?The amount appropriated to any work shall not, save with the previous consent of the finance ministry, exceed the amount approved or sanctioned for that work by a sum greater than the excess which may be authorized under the rules referred to in clause (a). Provided that such consent may not be necessary if savings are available elsewhere under appropriate works head to re-appropriate funds to cover excess of expenditure over authorized limits up to 15 per cent. ?Save with the previous consent of the finance ministry, no re- appropriation shall be made from the primary unit 'major works' to any other unit: provided that where such a provision is made under revenue head in the budget, a department of the central government shall be competent to re-appropriate funds between the allied primary units 'major works', 'minor works', 'maintenance', 'tools and plants', included within the same grant or appropriation and no such re-appropriation shall, however, be made from or to the 'suspense head' relating to public work. ?(i) Save with the specific approval of Parliament or an advance from the contingency fund of India, appropriation or re- appropriation shall not be made to meet an expenditure for a new public work not provided for in the budget, which may cost [rupees fifty lakhs] or more. (ii) Save with the previous consent of the Finance Ministry, no re-appropriation shall be made for a new public work costing rupees ten lakhs or above but less than rupees fifty lakhs. o Without the previous consent of the finance ministry, no re-appropriation shall be made: ?From and to the provision for the secret service expenditure; ?So as to augment the provision under the primary units 'salaries', 'wages', 'office expenses' and 'other charges', taken together for the entire grant or appropriation, except for the exception for the Ministry of Information and Broadcasting as provided vide note under Rule 10 (6) (b) of DFPR; ?From the provisions made for any specified new item of expenditure in a grant or appropriation for another purpose; ?From funds provided under the plan heads to the non plan heads both under revenue and under capital heads; and ?So as to augment the provision under the primary unit 'overtime allowance'. o Funds shall not be appropriated or re-appropriated from or to the primary unit of appropriation 'deputation or travel abroad of scientists'

NOTES Self-Instructional Material 75 Execution of the Budget Process over and above the funds provided for in the budget as approved by Parliament. ?Ministries/departments will have full powers for re-appropriation of funds from one plan head to another plan head in a grant, except in cases involving foreign exchange provided that- (i) Commitments are not made beyond the allocations for the schemes during the plan period; and (ii) No re-appropriation from capital to revenue and vice-versa is made. ?The ministries/departments shall not have powers to make re- appropriation in respect of following types of cases without the prior approval of finance ministry: o Re-appropriation of funds to augment the Secretariat expenditure; o Re-appropriation of funds between direct expenditure in the revenue section to grants in aid to States/Union territories in the same Section and vice-versa; and o Re-appropriation of funds between capital outlay and loans or vice- versa, in capital section. Some other DFPR provisions related to re-appropriation in brief are as follows: ?Financial Advisers are not to allow diversion of funds to augment provision for travel expenses. ?Savings in revenue section are not available for re-appropriation in capital section and vice-versa. ?Administrative ministries/departments may enhance provision under 'travel expenses' up to 10 per cent. Prior approval of Secretary (Expenditure) is necessary for re-appropriation increasing the budget provision by rupees five crore or more. Check Your Progress 1. What does rule 51 of the GFR state with regard to an appropriation bill? 2. What information does a controlling officer obtain in order to maintain proper control? 3. List any two objectives that the modified cash management system seeks to achieve. 4. When is re-appropriation funds made? 8.3 PUBLIC BORROWINGS Raising public debt is an important function of government's policies. Public debt is the funds raised through borrowing from the public or citizens of another country.

Execution of the Budget Process NOTES Self-Instructional 76 Material These debts are raised by central or state governments. The government can raise funds through two ways. One is through tax collection from its nationals and other is from borrowings. The government has no obligation to return any funds raised through taxes but it has obligation to repay the funds which are borrowed. In common parlance it can be said that public debts are the loans raised by the government within or outside the country. Here government means all public bodies. When funds are raised from people and individuals outside the boundaries of a country then the government has an obligation of dealing with the foreign exchange issues also while there is no such issue when public debt is raised internally. The public debts can be raised from individuals, organizations, banks, and financial institutions. These are in the form of treasury bills or bonds. Treasury bills are issued when debts are required to be raised for a shorter period of time. Generally treasury bills are issued at discount and redeemed at par. And in case of bonds, there is payment of interest on regular intervals and repayment of loan is paid after the expiry of the period for which bonds have been issued. In India, the total liabilities of Central Government are covered under two heads. ?Internal debt ?External debt Policy Debt External Debt Internal Debt Fig. 8.1 Policy Debt Public debt includes both internal debts as well as external debts. The internal debts are incurred by resident units in Indian economy to other resident units while external debts are incurred by residents to non-residents. 1. Internal Debt In India, the major instruments covered under Internal Debt are as follows: ?Dated Securities: Primarily fixed coupon securities of short, medium and long term maturity which have a specified redemption date. These are the single-most important component of financing the fiscal deficit of the Central Government (around 91 % in 2010-11) with average maturity of around 10 years. ?Treasury-Bills: Zero coupon securities that are issued at a discount and redeemed in face value at maturity. These are issued to address short term receipt-expenditure mismatches under the auction program of the Government.

NOTES Self-Instructional Material 77 Execution of the Budget Process ?Securities issued to International Financial Institutions: Securities issued to institutions viz. IMF, IBRD, IDA, ADB, IFAD etc. for India's contributions to these institutions etc. ?Securities issued against 'Small Savings': All deposits under small savings schemes are credited to the National Small Savings Fund (NSSF). The balance in the NSSF (net of withdrawals) is invested in special Government securities. ?Market Stabilization Scheme (MSS) Bonds: Governed by a MoU between the GOI and the RBI, MSS was created to assist the RBI in managing its sterilization operations. GOI borrows under this scheme from the RBI, while proceeds from such borrowings are maintained in a separate cash account with the latter and is not used only for redemption of T-bills / dated securities raised under this scheme. Internal Public Debt Marketable Debt Instruments Non-Marketable Debt Instruments Central Government Securities State Government Securities Treasury Bills Small Savings Other Obligations Fig. 8.2 Different Types of Internal Public Debt 2. External Debt Major instruments covered under external debt are in the form of loan contracts with various multilateral or international agencies like, IDA, ADB, IBRD, etc. Sometimes the external debts are also raised from bilateral agencies. Only central governments are empowered to contract the external debt and state governments are not permitted to raise funds in the form of contract external debt. The interest on external borrowings is generally fixed and these debts are raised for a longer period of time. No external debt is raised from international capital markets. Article 292 of the Indian Constitution states that the Government of India can borrow amounts specified by the Parliament from time to time. Article 293 of the Indian Constitution mandates that the State Governments in India can borrow only from internal sources. Thus the Government of India incurs both external and internal debt, while State Governments incur only internal debt. Check Your Progress 5. What are the two ways through which the government can raise funds? 6. Who incurs internal and external debts?

Execution of the Budget Process NOTES Self-Instructional 78 Material 8.4 DEFICIT FINANCING A source of public income is deficit financing. Ordinarily, deficit financing means an excess of public expenditure over public revenue. This excess may be met by borrowings from the market, borrowings from abroad, or the use of the printing press [creation of currency]. In the case of borrowings from abroad, there cannot be any compulsion for the lenders; but in the case of internal borrowings there can be. The government may force various individuals, firms, corporations and other institutions to lend to it at rates much lower than would be the case otherwise. This amounts to a kind of taxation in the sense that the government does not pay as much to the lenders as they could get otherwise. On the other hand, instead of borrowing, the government may choose to use the printing press. When the government spends the additional funds so created, the aggregate demand increases and prices are pushed up. The government purchases away a part of resources and the market is left with smaller supplies. In other words, the government, through the use of the printing press, taxes away some resources of the market just as it could tax them away directly. The objective in seeking deficit financing is to finance the shortfall between government expenditures and tax receipts. Tax increases are not politically palatable. Governments often resort to deficit financing when other components of GDP such as private consumption decline during recessionary periods. Such deficits, if undertaken for a short period with an action plan to create equivalent surplus in near future, could reverse decline in real GDP and stimulate growth in real GDP for the benefit of citizens of the nation. Structural deficits are indicative of inability to reduce entrenched government expenses. The sustainable level of accumulated deficits can also be determined with reference to both the deficit servicing requirements and deficit servicing sources. This analysis will entail identification of cause and effect relationships that determine the factors influencing each of these two areas. As shown by other researchers, the explanatory variables leading to deficits include domestic budgetary receipts; tax structure; budgetary endowments; budgetary discretionary expenses; trade deficit; growth in real GDP; private consumption; domestic capital formation; and foreign direct investment flows. Deficit servicing requirements analysis takes into account accumulated deficit; expected additions to deficit; deficit held by Government Accounts, by Federal Reserve System, by public-domestic entities, by overseas public & governments, maturity term; and cost of debt. From a theoretical point of view the causes of sovereign deficits are equally diverse. Primary cause of deficit is that some components of government spending have a built-in growth multiplier that is much higher than the rate of growth of tax receipts. Government expenses can be broken down into discretionary and non-discretionary. Over time, non-discretionary component grows as a percentage of total budgetary

NOTES Self-Instructional Material 79 Execution of the Budget Process expenses, thereby reducing government's ability to reduce expenses without disenfranchising the electorate. Deficits incurred to meet national emergencies present a special case where the expenditure is incurred without any considerations for fiscal sacrifices. Secondary causes of deficits

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include shifts in government spending, changes in the competitive environment, globalization, presence of shadow economies, fraud in government programs, role of multinationals, and income distribution that affects private consumption expenditures.		

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include shifts in government spending, changes in the competitive environment, globalization, presence of shadow economies, fraud in government programs, role of multinationals, and income distribution that affects private consumption expenditures.		

During periods of economic downturn, governments often tend to stimulate demand through either direct expenditure on specific projects or through reduction in direct taxes. Stimulation through direct expense is intended to increase employment or save jobs, while stimulation through reduction in direct taxes is aimed at increasing disposable income and, therefore, consumption as well as investments. Reduction in taxes does not necessarily lead to increased consumption and its impact on increasing employment has a longer lag than that of direct expenses. Reduction in taxes on higher income groups and corporations has not always increased investment since higher savings could be hoarded in bank accounts or in retained earnings by corporations. It should be noted that once taxes are reduced, it is difficult to raise them for reducing the budget gap at a later date. The role of competitive forces in allocation of resources and setting prices, especially in free market economies, has been diminishing. Competition has been replaced in reality by oligopoly where a few firms dominate a business sector. Although the number of buyers is large, product is not necessarily homogeneous; information is asymmetric; and the seller has considerable control in setting prices and output level. Oligopolistic firms influence elections and issues to their own benefit by funding elections and lobbying on issues. This often leads to either unintended direct government expenses or increased tax expenditures contributing to deficits. Similarly, increased globalization tends to reduce the effect of domestic multipliers for income and employment due to leakages beyond the borders of a country. Thus growth of a business in a country does not necessarily mean increase in employment in the country as anticipated by historical income and employment multipliers. Presence of shadow economy also accounts for some problems as this unaccounted portion of GDP outside the reach of fiscal measures increases deficit by reducing potential tax revenue. Another factor that might influence deficits is fraud in government run programs that often leads to unintended excess government expenditure. Government bureaucracies can also be included in the list of factors that affect deficits. Bureaucracy often leads to redundant government agencies that essentially perform the same tasks resulting in an increase in government expenses without providing any additional benefits or services. Income distribution impacts both consumption and investments in a country. A summary measure of inequality of income is Gini index. The more unequal a country's income distribution, the farther

Execution of the Budget Process NOTES Self-Instructional 80 Material

its Lorenz curve from the 45 degree line and the higher its Gini index. If income was distributed with perfect equality, the Lorenz curve would coincide with the 45 degree line and the index would be zero; if income was distributed with perfect inequality, the index would be 100.

Check Your Progress 7. What is the objective of seeking deficit financing? 8. What do the explanatory variables leading to deficits include? 8.5 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1. Rule 51 Of the GFR, states that 'after the appropriation bill relating to budget is passed, the ministry of finance shall communicate budget provisions to the ministries/departments which, in turn, shall distribute the same to their subordinate formations. 2.

In order to maintain proper control, the controlling officer obtains information on not only what has actually been spent from the grants

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modified cash management system seeks to achieve, inter alia, the following objectives: (i) Reduce rush of expenditure during the last quarter, especially the last month of the financial year (ii) Reduce tendency of parking of funds 4. Re-appropriation of funds are made only when it is known or anticipated that the appropriation for the unit from which funds are to be transferred will not be utilized in full or that savings can be affected in the appropriation for the said unit. 5. The government can raise funds through two ways. One is through tax collection from its nationals and other is from borrowings. 6. The internal debts are incurred by resident units in Indian economy to other resident units while external debts are incurred by residents to non-residents. 7.

The objective in seeking deficit financing is to finance the shortfall between government expenditures and tax receipts. 8.

The explanatory variables leading to deficits include domestic budgetary receipts; tax structure; budgetary endowments; budgetary discretionary expenses; trade deficit; growth in real GDP; private consumption; domestic capital formation; and foreign direct investment flows.

NOTES Self-Instructional Material 81 Execution of the Budget Process 8.6 SUMMARY ?

As per rules, no public authority can incur any expenditure or enter into any liability involving expenditure or transfer of moneys for investment or deposit from government account unless such expenditure or transfer, as the case may be has been sanctioned by general or special orders of the government or by any authority to which power has been delegated in this regard. ?

The designated controlling authorities have to ensure

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authorized grants but also that the funds allotted to spending units are expended in the public interest and on objects for which the money was provided. ?

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authorized grants but also that the funds allotted to spending units are expended in the public interest and on objects for which the money was provided. ?

A grant or appropriation can be utilized only to cover the charges (including liabilities, if any, of the past year) which are to be paid during the financial year of the grant or appropriation and adjusted in the account of the year. ?The Exchequer control based expenditure management scheme has been made applicable on 23 demands for grants for the time being (with effect from 2007-08), and the financial advisers have been made responsible for the implementation of the modified expenditure management system. ?The amount appropriated to any work shall not, save with the previous consent of the finance ministry, exceed the amount approved or sanctioned for that work by a sum greater than the excess which may be authorized under the rules referred to in clause (a). ?The government has no obligation to return any funds raised through taxes but it has obligation to repay the funds which are borrowed. In common parlance it can be said that public debts are the loans raised by the government within or outside the country. ?Article 292 of the Indian Constitution states that the Government of India can borrow amounts specified by the Parliament from time to time ? Governments often resort to deficit financing when other components of GDP such as private consumption decline during recessionary periods. ?
Secondary causes of deficits

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include shifts in government spending, changes in the competitive environment, globalization, presence of shadow economies, fraud in government programs, role of multinationals, and income distribution that affects private consumption expenditures. ?

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include shifts in government spending, changes in the competitive environment, globalization, presence of shadow economies, fraud in government programs, role of multinationals, and income distribution that affects private consumption expenditures. ?

A summary measure of inequality of income is Gini index. The more unequal a country's income distribution, the farther its Lorenz curve from the 45 degree line and the higher its Gini index.
Execution of the Budget Process NOTES Self-Instructional 82 Material 8.7 KEY WORDS ?General Financial Rules (GFRs): These are the general rules of Government of India (GOI) which are applicable to all Government Ministries/Departments. These rules are applicable in matters relating to Public Finance, that is, matters relating to revenue and expenditure of Government. ?Re-appropriation: It means the transfer of funds from one detailed head to another detailed head within the Departmental Grants. ?Deficit financing: It refers to the process of generating funds to finance the deficit which results from excess of expenditure over revenue. The gap is covered by borrowing from the public by the sale of bonds or by printing new money. 8.8 SELF ASSESSMENT QUESTIONS AND EXERCISES Short-Answer Questions 1. What does the drawing and disbursing officer do for withdrawal of money? 2. What does an accounting officer incorporate in the compiled statement in form GFR 11? 3. Write a short note on the provisions made under exchequer control based expenditure management scheme. 4. Write a short note on Market Stabilization Scheme (MSS) bonds. 5. What does deficit servicing requirements analysis take into account? Long-Answer Questions 1. Discuss the provisions relating to the responsibility for control of expenditure laid down by rule 52 of the GFR. 2. Explain the major instruments covered under internal debt. 8.9 FURTHER READINGS

100% **MATCHING BLOCK 254/536** **SA** CC-PA-10.pdf (D165362592)

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NOTES Self-Instructional Material 83 Execution of the Budget Process Sharma, M.P.

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86% **MATCHING BLOCK 257/536** **SA** Public financial administration.docx (D166323443)

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Sunset Legislation and Top-Down Budgeting NOTES Self-Instructional 84 Material UNIT 9 SUNSET LEGISLATION AND TOP-DOWN BUDGETING Structure 9.0 Introduction 9.1 Objectives 9.2 Sunset Legislation 9.2.1 Top-Down Budgeting 9.3 Answers to Check Your Progress Questions 9.4 Summary 9.5 Key Words 9.6 Self Assessment Questions and Exercises 9.7 Further Readings 9.0 INTRODUCTION
 Sunset legislation is a provision within a rule, law or statute that mentions that the law will automatically terminate after a specified period of time unless further legislative action is taken to extend its applicability. The main purpose of such a provision is to prevent unnecessary and obsolete laws from being dragged on beyond their utility. The government may use a top-down budgeting system or a bottom-up approach to manage fiscal deficits. These two approaches have been discussed in this unit in addition to the concept of sunset legislation. 9.1

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OBJECTIVES After going through this unit, you will be able to: ?Understand the concept of

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OBJECTIVES After going through this unit, you will be able to: ?Understand the concept of

sunset legislation ?Analyze the concept of top-down budgeting 9.2 SUNSET LEGISLATION This unit will discuss sunset legislation and top-down budgeting. A sunset clause or provision is a measure within a law, regulation or statute that provides that the law shall cease to have effect after a specific date, unless the law is extended by legislative action. Most laws do not have this clause and hence, remain in force indefinitely. It is also called 'periodic review' of the law/statute. The main purpose behind having the sunset clause is to prevent legislative inertia from setting in. This way, unwanted laws will not accumulate.

NOTES Self-Instructional Material 85 Sunset Legislation and Top-Down Budgeting Sunset Clause in India In India, the sunset clause has been regularly used in tax and fiscal laws (like in tax holidays and regulations for exchange control). The Constitution provides for a ten-year sunset for reservations to the legislative assembly and Parliament seats through its Article 334. Importance of Sunset Clause The importance of the sunset provision can be understood by examining the following points: ?The concept of the sunset clause is an acknowledgement by lawmakers that the law is not indefinite and is not made for eternity. It is an admission that circumstances change over time and that the laws of the land should reflect this. ?It should also be understood that institutional behaviour and social circumstances also change over time and the need arises to revisit laws. ?Sunset clause will help in achieving a periodic review of laws and regulations. A renewal at the end of a time period is needed because situations keep on changing in society. ?The provision of such a clause could also encourage lawmakers to push for and implement such new laws that have limited negatives/downside to them. 9.2.1 Top-Down Budgeting Top-down budgeting emerged in the 1990s as a response to fiscal crisis. Previously, the traditional bottom-up approach to budget formulation had conferred centralized authority for resource allocation on the finance ministry. Then, in an attempt to control the growing fiscal deficits in the 1990s, the finance ministry only set the overall expenditure ceiling and subceilings, and delegated detailed resource allocation decisions to line ministries. However, the level of delegation and the method of determining the expenditure ceilings vary across countries. The top-down budgeting system as a fiscal management reform initiative allows the government to manage fiscal deficits more efficiently than the bottom- up budgeting system. In the top-down system, the first priority of the finance ministry lies in setting the fiscal management target for fiscal sustainability and ensuring compliance with this target, in contrast to the emphasis on allocating financial resources to individual appropriations in the bottom-up system. Once the fiscal target is confirmed in the cabinet meeting in an early phase, it becomes a rule that is binding upon every cabinet member during the budget process and defended vigorously by the budget office staff. With the fiscal management target enforced as a rule and backed by an influential budget office, the government is able to regulate public expenditure and thereby control the fiscal balance efficiently.

Sunset Legislation and Top-Down Budgeting NOTES Self-Instructional 86 Material Furthermore, the top-down budgeting system helps to reduce the inefficient budget formulation practices that can usually be found in a bottom-up system. While top-down budgeting generally delegates the authority for allocating financial resources among individual appropriations to line ministries, the bottom-up approach is a centralised system in which the authority for resource allocation remains vested primarily in the finance ministry. Budget formulation in the bottom- up budgeting system begins when all agencies and ministries send their requests for funding to the finance ministry. These requests typically far exceed what the agencies or ministries realistically expect to get. Starting from these requests, the finance ministry and line ministries will go through iterative rounds of negotiation until some common point is found. This is time-consuming and essentially a game between the finance ministry and other line ministries. Therefore, there is no system for reallocation of resources within line ministries. In contrast, in the top-down budgeting system, the finance ministry is able to concentrate on setting the expenditure ceilings and controlling additional requests by setting rules, while line ministries are able to devote themselves to allocating financial resources efficiently to individual programmes within their assigned spending ceilings. The roles of the finance ministry and line ministries are clearly differentiated. The finance ministry does not need to intervene in detailed resource allocations made by line ministries if they conduct them in line with the rules. Line ministries can make the best use of their expertise in allocating financial resources to their various programmes in order to achieve their policy objectives. Therefore, the budget process will not only be less time-consuming, but the secondary allocation within each line ministry can now take place because this system creates ownership in line ministries for the actions they take. Check Your Progress 1. What is the main purpose behind having the sunset clause? 2. What is the first priority of the finance ministry in the top-down system? 9.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1. The main purpose behind having the sunset clause is to prevent legislative inertia from setting in. This way, unwanted laws will not accumulate. 2. In the top-down system, the first priority of the finance ministry lies in setting the fiscal management target for fiscal sustainability and ensuring compliance with this target, in contrast to the emphasis on allocating financial resources to individual appropriations in the bottom-up system.

NOTES Self-Instructional Material 87 Sunset Legislation and Top-Down Budgeting 9.4 SUMMARY ?A sunset clause or provision is a measure within a law, regulation or statute that provides that the law shall cease to have effect after a specific date, unless the law is extended by legislative action. ?The concept of the sunset clause is an acknowledgement by lawmakers that the law is not indefinite and is not made for eternity. It is an admission that circumstances change over time and that the laws of the land should reflect this. ? Top-down budgeting emerged in the 1990s as a response to fiscal crisis. Previously, the traditional bottom-up approach to budget formulation had conferred centralised authority for resource allocation on the finance ministry. ?Once the fiscal target is confirmed in the cabinet meeting in an early phase, it becomes a rule that is binding upon every cabinet member during the budget process and defended vigorously by the budget office staff. ?The top-down budgeting system as a fiscal management reform initiative allows the government to manage fiscal deficits more efficiently than the bottom-up budgeting system. ?Budget formulation in the bottom-up budgeting system begins when all agencies and ministries send their requests for funding to the finance ministry. These requests typically far exceed what the agencies or ministries realistically expect to get. ?The roles of the finance ministry and line ministries are clearly differentiated. The finance ministry does not need to intervene in detailed resource allocations made by line ministries if they conduct them in line with the rules. Line ministries can make the best use of their expertise in allocating financial resources to their various programmes in order to achieve their policy objectives. 9.5 KEY WORDS ?Sunset Legislation: It is a measure within a law, regulation or statute that provides that the law shall cease to have effect after a specific date, unless the law is extended by legislative action. 9.6 SELF ASSESSMENT

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QUESTIONS AND EXERCISES Short-Answer Questions 1. Write a short note on the

sunset clause in India. 2. When does budget formulation in the bottom-up budgeting system begin?

Sunset Legislation and Top-Down Budgeting NOTES Self-Instructional 88 Material Long-Answer Questions 1. Elaborate upon the importance of the sunset clause. 2. Discuss the differences between top-down budgeting system and bottom-up system. 9.7

FURTHER READINGS

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Sharma, M.P.

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NOTES Self-Instructional Material 89 Public Accounts Committee and Estimates Committee BLOCK - IV CONTROL OVER PUBLIC FUND UNIT 10 PUBLIC ACCOUNTS COMMITTEE AND ESTIMATES COMMITTEE Structure 10.0 Introduction 10.1 Objectives 10.2 Composition, Power

and Functions of Public Accounts Committee 10.3 Estimates Committee 10.4 Answers to Check Your Progress Questions 10.5 Summary 10.6 Key Words 10.7 Self Assessment Questions and Exercises 10.8 Further Readings 10.0 INTRODUCTION

This unit examines the Public Accounts Committee and Estimates Committee. The Public Accounts Committee examines and audits the reports of the CAG and the expenditure of the government of India laid down before the Lok Sabha in addition to the accounts of state corporations, manufacturing projects and trading concerns. It checks whether the appropriation and re-appropriation of funds has been done as per the related rules and by the competent authority. This unit provides an analysis of the composition, functions and power of the Public Accounts Committee and the Estimates Committee. 10.1

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OBJECTIVES After going through this unit, you will be able to: ?Understand the		

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OBJECTIVES After going through this unit, you will be able to: ?Understand the		

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OBJECTIVES After going through this unit, you will be able to: ?Understand the composition, power and functions of		

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OBJECTIVES After going through this unit, you will be able to: ?Understand the composition, power and functions of

Public

Accounts Committee ?Discuss the process of election and functions of the Estimates Committee

Public Accounts Committee and Estimates Committee NOTES Self-Instructional 90 Material 10.2 COMPOSITION, POWER AND FUNCTIONS OF PUBLIC ACCOUNTS COMMITTEE In a parliamentary democracy like ours, the Committee system assumes great importance. Administrative accountability to the legislature becomes the sine qua non of such a parliamentary system. The check that Parliament exercises over the executive stems from the basic principle that Parliament embodies the will of the people and it must, therefore, be able to supervise the manner in which public policy laid down by Parliament is carried out. However, the phenomenal proliferation of governmental activities has made the task of legislatures very complex and diversified. By its very nature, Parliament, as a body cannot have an effective control over the government and the whole gamut of its activities. Administrative accountability to the legislature through Committees has been the hallmark of our political system. The Committee on Public Accounts enjoys the place of pride in our Committee System. Genesis of the Committee The Committee on Public Accounts was first set up in 1921 in the wake of the Montague-Chelmsford Reforms. The Finance Member of the Executive Council used to be the Chairman of the Committee. The Secretariat assistance to the Committee was rendered by the then Finance Department (now the Ministry of Finance). This position continued right up to 1949. During the days of the Interim Government, the then Finance Minister acted as the Chairman of the Committee, and later on, after the attainment of Independence in August, 1947, the Finance Minister became the Chairman. This naturally restricted the free expression of views and criticism of the Executive. The Committee on Public Accounts underwent a radical change with the coming into force of the Constitution of India on 26 January, 1950, when the Committee became a Parliamentary Committee functioning under the control of the Speaker with a non-official Chairman

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appointed by the Speaker from among the Members of Lok Sabha elected to the Committee. The Minister of

Finance ceased to be a Member of the Committee
vide

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Rule 309(i) of the Rules of Procedure and Conduct of Business in Lok Sabha.

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Rule 309(i) of the Rules of Procedure and Conduct of Business in Lok Sabha.

Constitution of
the Committee The Public Accounts Committee is now constituted every year under

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Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha.

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Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha.

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Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha. The

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Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha. The

Public Accounts Committee consists of not more than 22 members comprising

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of 15 members elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote		
100%	MATCHING BLOCK 284/536	SA CC-PA-10.pdf (D164996485)
of 15 members elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote		
<p>and not more than 7 members of Rajya Sabha elected by that House in like manner. Prior to the year 1954-55, the Committee consisted of 15 members who were elected by Lok Sabha from amongst its Members. But with effect from the year NOTES Self-Instructional Material 91 Public Accounts Committee and Estimates Committee 1954-55, 7 members from the Rajya Sabha are also being associated with the Committee. Till 1966-67, a senior member of the ruling party used to be appointed by the Speaker as Chairman of the Committee. In 1967, however, for the first time, a member from the Opposition in Lok Sabha, was appointed as the Chairman of the Committee by the Speaker. This practice continues till date. The term of office of members of the Committee does not exceed one year at a time. A Minister is not elected a member of the Committee, and if a member, after his election to the Committee is appointed a Minister, he ceases to be a member of the Committee from the date of such appointment.</p>		
100%	MATCHING BLOCK 281/536	W
The Chairman of the Committee is appointed by the Speaker from amongst the members of the Committee		
100%	MATCHING BLOCK 282/536	W
The Chairman of the Committee is appointed by the Speaker from amongst the members of the Committee		
from Lok Sabha.		
Scope and Functions The functions of the Committee, as enshrined in		
96%	MATCHING BLOCK 283/536	W
Rule 308(1) of the Rules of Procedure and Conduct of Business in Lok Sabha,		
96%	MATCHING BLOCK 285/536	W
Rule 308(1) of the Rules of Procedure and Conduct of Business in Lok Sabha,		
include examination of		
70%	MATCHING BLOCK 286/536	SA CC-PA-10.pdf (D165362592)
accounts showing the appropriation of sums granted by Parliament for the expenditure of the Government of India,		
70%	MATCHING BLOCK 291/536	SA CC-PA-10.pdf (D164996485)
accounts showing the appropriation of sums granted by Parliament for the expenditure of the Government of India,		
the annual finance accounts of the Government and such other accounts laid before the House as the Committee may think fit.		
In scrutinising		
the Appropriation Accounts		
73%	MATCHING BLOCK 287/536	W
of the Government of India and the Report of the Comptroller & Auditor General of India		

73%	MATCHING BLOCK 288/536	W
<p>of the Government of India and the Report of the Comptroller & Auditor General of India</p> <p>thereon, the Committee has to satisfy: (a) that the</p>		
92%	MATCHING BLOCK 289/536	W
<p>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;</p>		
100%	MATCHING BLOCK 290/536	W
<p>that the expenditure conforms to the authority which governs it; and (</p> <p>c) that every re-</p>		
100%	MATCHING BLOCK 292/536	SA Public financial administration.docx (D166323443)
<p>appropriation has been made in accordance with the provisions made in this behalf</p> <p>under rules framed by competent authority. It shall also be the duty of the Committee – (a) to examine the statement of accounts showing the ‘</p>		
84%	MATCHING BLOCK 293/536	SA CC-PA-10.pdf (D165362592)
<p>income and expenditure of state corporations, trading and manufacturing schemes, concerns and projects</p>		
84%	MATCHING BLOCK 295/536	SA CC-PA-10.pdf (D164996485)
<p>income and expenditure of state corporations, trading and manufacturing schemes, concerns and projects</p> <p>together with the balance sheets and statements of profit and loss accounts which the President may have required to be prepared or are prepared under the provisions of the statutory rules regulating the financing of a particular corporation, trading or manufacturing scheme or concern or project and the report of the Comptroller and Auditor General thereon. (b) to examine the statement of accounts showing the income and expenditure of autonomous and semi autonomous bodies,</p>		
61%	MATCHING BLOCK 296/536	W
<p>the audit of which may be conducted by the Comptroller and Auditor General of India either under the directions of the President</p>		
78%	MATCHING BLOCK 294/536	W
<p>by the Comptroller and Auditor General of India either under the directions of the President</p>		
78%	MATCHING BLOCK 299/536	SA CC-PA-10.pdf (D165362592)
<p>by the Comptroller and Auditor General of India either under the directions of the President</p>		

or by a statute of Parliament; and (c)

to consider the report of the Comptroller and Auditor General in cases where the President may have required him to conduct an audit of any receipts or to examine the accounts of stores and stocks.

Public Accounts Committee and Estimates Committee NOTES Self-Instructional 92 Material

100%	MATCHING BLOCK 297/536	W
If any money has been spent on any service during a financial year in excess of the amount granted		

100%	MATCHING BLOCK 298/536	W
If any money has been spent on any service during a financial year in excess of the amount granted		

by the House for that purpose the Committee shall examine with reference to the facts of each case the circumstances leading to such an excess and make such recommendation as it may deem fit. Nature and Scope of Examination. An important function of the Committee is to ascertain that money granted by Parliament has been spent by Government "within the scope of the demand."

The implications of this phrase are that (i) money recorded as spent against the grant must not be more than the amount granted, (ii) the expenditure brought to account against a particular grant must be of such a nature as to warrant its record against the grant and against no other, and (iii) the grants should be spent on purposes which are set out in the detailed demand and they cannot be spent on "any new service not contemplated in the demand." The functions of the Committee extend "beyond the formality of expenditure to its wisdom, faithfulness and economy". The Committee thus examines cases involving losses, nugatory expenditure and financial irregularities. When any case of proved negligence resulting in loss or extravagance is brought to the notice of the Committee, it calls upon the Ministry/ Department concerned to explain what action, disciplinary or otherwise, it had taken to prevent a recurrence. In such a case it can also record its opinion in the form of disapproval or pass strictures against the extravagance or lack of proper control by the Ministry or Department concerned. Another important function of the Committee is the discussion on points of financial discipline and principle. The detailed examination of questions involving principle and system is a leading and recognized function of the Committee. The Committee is not concerned with questions of policy in the broad sense. As a rule, it expresses no opinion on points of general policy, but it is within its jurisdiction to point out whether there has been extravagance or waste in carrying out that policy. Regularization of Excesses over Grants If any money has been spent by the Government on a service in excess of the amount granted by the House for the purpose, the Committee examines with reference to the facts of each case, the circumstances leading to such an excess and makes such recommendations as it may deem fit. Such excesses are thereafter required to be brought up before the House by Government for regularization in the manner envisaged in Article 115 of the Constitution. To facilitate speedy regularization of such excess expenditure by Parliament, the Committee presents a consolidated report relating to all Ministries/Departments in advance of other reports. Savings The Committee looks upon savings arising from incorrect estimation or other defects of procedure no more leniently than it does upon excesses. It regards estimating on the safe side to be as faulty as estimating on the low side. In the words of the NOTES Self-Instructional Material 93 Public Accounts Committee and Estimates Committee Committee "from one point of view, 'safe' estimating might be regarded as even more objectionable, as it might easily lead to extravagance, waste or worse". Check Your Progress 1. What does the check that Parliament exercises over the Executive stem from? 2. What is the composition of members in the Public Accounts Committee? 3. What does the Public Accounts Committee do to facilitate speedy regularization of excess expenditure by Parliament? 10.3 ESTIMATES COMMITTEE The Committee on Estimates consists of 30 members—all from Lok Sabha who are

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elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote.		

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elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote.		

This system of election ensures that each Party/Group is represented on the Committee in proportion to its strength in Lok Sabha. Process of Election Every year a motion is moved in Lok Sabha by the Minister of Parliamentary Affairs, or at the commencement of each Lok Sabha and in subsequent years, by the Chairperson of the Committee, calling upon members of the House to elect from amongst themselves 30 members to the Committee on Estimates. After the motion is adopted, a programme fixing the dates for filing the nominations, withdrawal of candidatures and the election, if necessary, is notified in Lok Sabha Bulletin— Part II. On receipt of nominations, a list of members who have filed the nomination papers is put up on the Notice Boards. In case the number of members nominated is equal to the number of members to be elected, then after expiry of time for withdrawal of candidature, the members nominated are declared elected and the result published in Bulletin—Part II. If the number of members nominated after withdrawals is more than the number of members to be elected, election is held on the stipulated date and the result of the election is published in the Bulletin—Part II. Appointment of Chairperson

75%	MATCHING BLOCK 300/536	W
The Chairperson of the Committee is appointed by the Speaker from amongst the members elected to the Committee.		

75%	MATCHING BLOCK 302/536	W
The Chairperson of the Committee is appointed by the Speaker from amongst the members elected to the Committee.		

88%	MATCHING BLOCK 303/536	W
The Chairperson of the Committee is appointed by the Speaker from amongst the members elected to the Committee.		

Minister not to be Member of Committee.

A Minister is not elected to be a member of the Committee, and if a member, after election to the Committee, is appointed a Minister, such member ceases to be a member of the Committee from the date of such appointment.

Public Accounts Committee and Estimates Committee NOTES Self-Instructional 94 Material Term of Office The term of office of the members of the Committee does not exceed one year. Association of member with Government Committee A member, on getting elected to the Committee, has to communicate to the office of the Committee the particulars regarding the various Committees or bodies appointed by Government with which the member is associated, for being placed before the Speaker. Where the Speaker considers it inappropriate that a member should continue to serve on the Government Committee, the member is required to resign membership of the Committee constituted by Government. Where the Speaker permits a member to continue to hold membership of Government Committee, the Speaker may require that the report of the Government Committee shall be placed before the Committee on Estimates for such comments as the latter Committee may deem fit to make, before it is presented to Government. Whenever the Chairperson or any member of the Committee on Estimates is invited to accept membership of any Committee constituted by Government, the matter is likewise to be placed before the Speaker before the appointment is accepted. Functions

78%	MATCHING BLOCK 304/536	W
The Committee on Estimates is constituted under Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha		

78%	MATCHING BLOCK 306/536	W
The Committee on Estimates is constituted under Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha		

for examination of such of the estimates as may seem fit to the Committee or are specifically referred to it by the House or

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the Speaker. The functions of the Committee are (a) to report what economies, improvements in organisation, efficiency or administrative reform, consistent with the policy underlying the estimates, may be effected; (b) to suggest alternative policies in order to bring about efficiency and economy in administration; (c) to examine whether the money is well laid out within the limits of the policy implied in the estimates; and (d) to suggest the form in which the estimates shall be presented to Parliament.		

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the Speaker. The functions of the Committee are (a) to report what economies, improvements in organisation, efficiency or administrative reform, consistent with the policy underlying the estimates, may be effected; (b) to suggest alternative policies in order to bring about efficiency and economy in administration; (c) to examine whether the money is well laid out within the limits of the policy implied in the estimates; and (d) to suggest the form in which the estimates shall be presented to Parliament.

Public Undertakings allotted to the Committee on Public Undertakings

either under the Rules of Procedure of Lok Sabha or by the Speaker do not come under the purview of the Committee on Estimates.

Examination of Estimates The examination by the Committee of the estimates for the Ministries/Departments of Government is a continuing exercise throughout the financial year and the Committee reports to the House as its examination proceeds. It is not incumbent on the Committee to examine the entire estimates in any one year. The Demands for Grants may be finally voted even though the Committee has made no report.

NOTES Self-Instructional Material 95 Public Accounts Committee and Estimates Committee Examination of Matters of Policy The term 'policy' referred to in Rule 310

relates only to policies laid down by Parliament either by means of statutes or by specific resolutions passed by it from time to time. It is also open to the Committee to examine any matter which may have been settled as a matter of policy by the

Government in the discharge of its executive functions. The Committee does not go against the

policy approved by Parliament; but where it is established on evidence that a particular policy is not leading to the expected or desired results or is leading to waste, it is the duty of the Committee to bring to the notice of the House that a change in policy is called for.

Check Your Progress 4. What does a member have to do on getting elected to the Estimates Committee? 5. What policies does the

term 'policy' refer to in Rule 310 relate to? 10.4 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1. The check that Parliament exercises over the Executive stems from the basic principle that Parliament embodies the will of the people and it must, therefore, be able to supervise the manner in which public policy laid down by Parliament is carried out. 2. The Public Accounts Committee consists of not more than 22 members comprising

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of 15 members elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote

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of 15 members elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote

and not more than 7 members of Rajya Sabha elected by that House in like manner. 3. To facilitate speedy regularization of excess expenditure by Parliament, the Committee presents a consolidated report relating to all Ministries/ Departments in advance of other reports. 4. A member, on getting elected to the Estimates Committee, has to communicate to the office of the Committee the particulars regarding the various Committees or bodies appointed by Government with which the member is associated, for being placed before the Speaker. 5. The term 'policy' referred to in Rule 310

relates only to policies laid down by Parliament either by means of statutes or by specific resolutions passed by it from time to time.

Public Accounts Committee and Estimates Committee NOTES Self-Instructional 96 Material 10.5 SUMMARY ?The check that Parliament exercises over the executive stems from the basic principle that Parliament embodies the will of the people and it must, therefore, be able to supervise the manner in which public policy laid down by Parliament is carried out. ?The Public Accounts Committee is now constituted every year under

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Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha. ?

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Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha. ?

One of

the many responsibilities of the

Public Accounts Committee is

to consider the report of the Comptroller and Auditor General in cases where the President may have required him to conduct an audit of any receipts or to examine the accounts of stores and stocks. ?

The

functions of the Public Accounts Committee extend “ beyond the formality of expenditure to its wisdom, faithfulness and economy”.

The Committee thus examines

cases involving losses, nugatory expenditure and financial irregularities. ?The Public Accounts Committee looks upon savings arising from incorrect estimating or other defects or other defects of procedure no more leniently than it does upon excesses. It regards estimating on the safe side to be as faulty as estimating on the low side. ?The Committee on Estimates consists of 30 members—all from Lok Sabha who are

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elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote. ?		

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elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote. ?		

If the number of members nominated to the Estimates Committee after withdrawals is more than the number of members to be elected, election is held on the stipulated date and the result of the election is published in the Bulletin. ?Whenever the Chairperson or any member of the Committee on Estimates is invited to accept membership of any Committee constituted by Government, the matter is likewise to be placed before the Speaker before the appointment is accepted. ?

78%	MATCHING BLOCK 314/536	W
The Committee on Estimates is constituted under Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha		

78%	MATCHING BLOCK 315/536	W
The Committee on Estimates is constituted under Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha		

50%	MATCHING BLOCK 317/536	SA CC-PA-10.pdf (D165362592)
Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha for examination of such of the estimates as may seem fit to the Committee or are specifically referred to it by the House or the Speaker. ?The examination by the Committee of the estimates for the		

50%	MATCHING BLOCK 318/536	SA CC-PA-10.pdf (D164996485)
Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha for examination of such of the estimates as may seem fit to the Committee or are specifically referred to it by the House or the Speaker. ?The examination by the Committee of the estimates for the		

Ministries/ Departments of Government is a continuing exercise throughout the financial year and the Committee reports to the House as its examination proceeds. It is not incumbent on the Committee to examine the entire estimates in any one year.

NOTES Self-Instructional Material 97 Public Accounts Committee and Estimates Committee 10.6 KEY WORDS ?

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Public Accounts Committee : It is a committee of selected members of parliament, constituted by the Parliament of India, for the purpose of auditing the revenue and the expenditure of the Government of India. ?		

87%	MATCHING BLOCK 320/536	SA CC-PA-10.pdf (D164996485)
Public Accounts Committee : It is a committee of selected members of parliament, constituted by the Parliament of India, for the purpose of auditing the revenue and the expenditure of the Government of India. ?		

Comptroller and Auditor General (CAG) of India: It is the Constitutional Authority in India, empowered

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to audit all receipts and expenditure of the Government of India and the State Governments, including those of autonomous bodies and corporations substantially financed by the Government. 10.7

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to audit all receipts and expenditure of the Government of India and the State Governments, including those of autonomous bodies and corporations substantially financed by the Government. 10.7

SELF ASSESSMENT QUESTIONS AND EXERCISES Short-Answer Questions 1. What are the implications of the phrase, an important function of the Committee to ascertain that money granted by Parliament has been spent by Government "within the scope of the demand."? 2. List the conditions that the Public Accounts Committee has to satisfy in order to scrutinize the appropriation accounts of the Government of India. 3. List any two functions of an Estimates Committee. 4. Write a short note on the exercise of examination of estimates. Long-Answer Questions 1. Discuss the duties of the Public Accounts Committee. 2. Analyze the process of election in the Estimates Committee. 10.8 FURTHER READINGS

100% **MATCHING BLOCK 323/536** **SA** CC-PA-10.pdf (D165362592)

Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.

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Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.

Sharma, M.P.

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and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.

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86% **MATCHING BLOCK 326/536** **SA** Public financial administration.docx (D166323443)

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Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.

100% **MATCHING BLOCK 328/536** **SA** CC-PA-10.pdf (D164996485)

Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.

Organization and Functions of Central Finance Ministry in India NOTES Self-Instructional 98 Material UNIT 11 ORGANIZATION AND FUNCTIONS OF CENTRAL FINANCE MINISTRY IN INDIA Structure 11.0 Introduction 11.1 Objectives 11.2 The Ministry of Finance 11.3 Answers to Check Your Progress Questions 11.4 Summary 11.5 Key Words 11.6 Self Assessment Questions and Exercises 11.7 Further Readings 11.0 INTRODUCTION The Ministry of Finance is concerned with the economy of India and a myriad of aspects related to it such as taxation, financial institutions, Union budget, centre and state finances and so on. It works through a total of five ministries that specialize in economic affairs, expenditure, revenue, financial services, investment and public asset management. This unit provides an analysis of the organization and functions of the departments of the Ministry of Finance. 11.1

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OBJECTIVES After going through this unit, you will be able to: ?Understand the

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OBJECTIVES After going through this unit, you will be able to: ?Understand the

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OBJECTIVES After going through this unit, you will be able to: ?Understand the

organization, functions and administration of the Indian Ministry of Finance and its departments

11.2 THE MINISTRY OF FINANCE The Ministry of Finance (MoF) is the ministry of the Government of India concerned with the economy of India, serving as the Indian Treasury Department. In particular, it

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concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. The

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concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. The

Ministry was established in 1946. The Ministry of Finance is the apex controlling authority of the Indian Revenue Service, Indian Economic Service, Indian Cost Accounts

NOTES Self-Instructional Material 99 Organization and Functions of Central Finance Ministry in India Service and Indian Civil Accounts Service. The Ministry is headed by the Finance Minister of India. The administrative head of the MoF is

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the union finance secretary. The Ministry comprises of five Departments, namely: – ?Department of Economic Affairs ?Department of Expenditure ?Department of Revenue ?Department of

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the union finance secretary. The Ministry comprises of five Departments, namely: – ?Department of Economic Affairs ?Department of Expenditure ?Department of Revenue ?Department of

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Departments, namely: – ?Department of Economic Affairs ?Department of Expenditure ?Department of Revenue ?Department of Investment and Public Asset Management ?Department of Financial Services I. The Department of Economic Affairs It is the nodal agency of the

Union Government to formulate and monitor country's economic policies and programmes having a bearing on domestic and international aspects of economic management. A principal responsibility of this Department is the preparation and presentation of the Union Budget to the parliament and budget for the state Governments under President's Rule and union territory administrations. Other main functions include: Formulation and monitoring of macroeconomic policies, including issues relating to fiscal policy and public finance, inflation, public debt management and the functioning of Capital Market including Stock Exchanges. In this context, it looks at ways and means to raise internal resources through taxation, market borrowings and mobilization of small savings; Monitoring and raising of external resources through multilateral and bilateral Official Development Assistance, sovereign borrowings abroad, foreign investments and monitoring foreign exchange resources including balance of payments; Production of bank notes and coins of various denominations, postal stationery, postal stamps; and Cadre management, career planning and training of the Indian Economic Service (IES). II.

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The Department of Expenditure It is the nodal Department for overseeing the public financial management system

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The Department of Expenditure It is the nodal Department for overseeing the public financial management system

in the Central Government and matters connected with state finances.

It is responsible for the implementation of the recommendations of the Finance Commission and Central Pay Commission, monitoring of audit comments/ observations, preparation of Central Government Accounts. It further assists central Ministries/ Departments in controlling the costs and prices of public services, reviewing system and procedure to optimize outputs and outcomes of public expenditure. The principal activities of the Department include overseeing the expenditure management in the central Ministries/ Departments through the interface with the Financial Advisers and the administration of the Financial Rules/ Regulations/ Orders,

pre-sanction appraisal of major schemes/ projects, handling bulk of the central budgetary resources transferred to the State.

Organization and Functions of Central Finance Ministry in India NOTES Self-Instructional 100 Material The business allocated to the Department of Expenditure is carried out through its Personnel & Establishment Division, Public Finance (States) and Public Finance (

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Central) Divisions, Office of Controller General of Accounts, Office of Chief Adviser Cost, and Central Pension Accounting Office. The Department

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Central) Divisions, Office of Controller General of Accounts, Office of Chief Adviser Cost, and Central Pension Accounting Office. The Department

also has, under its administrative control, the National Institute of Financial Management (NIFM), Faridabad, which is an autonomous body. III. The Department of Revenue It

functions under the overall direction and control of the Secretary (

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Revenue). It exercises control in respect of matters relating to all the Direct and Indirect Union Taxes through two statutory Boards namely, the

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the Direct and Indirect Union Taxes through two statutory Boards namely, the Central Board of Direct Taxes (CBDT) and the Central Board of Indirect Taxes and Customs (CBIC). Each

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the Direct and Indirect Union Taxes through two statutory Boards namely, the Central Board of Direct Taxes (CBDT) and the Central Board of Indirect Taxes and Customs (CBIC). Each

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the Central Board of Direct Taxes (CBDT) and the Central Board of Indirect Taxes and Customs (

Board is headed by a Chairman who is also the

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ex-officio Special Secretary to the Government of India. Matters relating to the levy and collection of all Direct Taxes

are looked after by the CBDT whereas those relating to levy and collection of Customs and Central Excise duties and other Indirect Taxes fall within the purview of the CBIC. The two Boards were constituted under the Central Board of Revenue Act, 1963. At present, the CBDT has six Members and the CBIC has six Members. The Members are also ex-officio Special Secretaries to the Government of India. 1. The Department of Revenue administers the following Acts: ?GST Act, 2017; ?CGST Act; ?CGST (Extension to Jammu and Kashmir) Act, 2017; ?101st Constitution Amendment Act, 2016 ; ?IGST Act; ?IGST (Extension to Jammu and Kashmir) Act, 2017; ?GST (Compensation to the States) Act; ?The Central Good And Services Tax Act 2017; ?The Good And Services Tax (Compensation To The State) Act 2017 ; ?Integrated Good and Services Tax Act 2017; ?Income Tax Act, 1961; ?Union Territory Good and Services Tax Act 2017; ?Wealth Tax Act, 1958; ?Expenditure Tax Act, 1987; ?Prohibition Of Benami Property Transaction Act, 1988; ?Prevention of Money-Laundering Act, 2002; ?Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015; NOTES Self-Instructional Material 101 Organization and Functions of Central Finance Ministry in India ?Super Profits Act, 1963; ? Fugitive Economic offenders Act, 2018; ?Securities Transaction Tax Commodities Transaction tax ; ?Companies (Profits) Sur-tax Act, 1964; ?Compulsory Deposit (Income Tax Payers) Scheme Act, 1974; ?Chapter VII of Finance (No.2) Act, 2004 (Relating to Levy of Securities Transactions Tax) ?Chapter VII of Finance Act, 2005 (Relating to Banking Cash Transaction Tax) ?Chapter V of Finance Act, 1994 (relating to Service Tax) ?Central Excise Act, 1944 and related matters; ?Customs Act, 1962 and related matters; ?Medicinal and Toilet Preparations (Excise Duties) Act, 1955; ?Central Sales Tax Act, 1956; ?Narcotic Drugs and Psychotropic Substances Act, 1985; ? Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988; ?Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976; ?Equalization levy with Rules; ?Indian Stamp Act, 1899 (to the extent falling within jurisdiction of the Union); ?Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974; ?Foreign Exchange Management Act, 1999; and ?Prevention of Money Laundering Act, 2002. The administration of CGST (Extension to Jammu and Kashmir) Act, 2017, IGST Act, IGST (Extension to Jammu and Kashmir) Act, 2017 and GST (Compensation to the States) Act is limited to the cases pertaining to the period when these laws were in force. The Department looks after the matters relating to the above-mentioned Acts through the following attached/ subordinate offices: ?Commissionerate/Directorates under Central Board of Excise and Customs; ? Commissionerate/Directorates under Central Board of Direct Taxes; ?Central Economic Intelligence Bureau; Organization and Functions of Central Finance Ministry in India NOTES Self-Instructional 102 Material ?Directorate of Enforcement; ? Central Bureau of Narcotics; ?Chief Controller of Factories; ?Appellate Tribunal for Forfeited Property; ?Income Tax Settlement Commission; ?Customs and Central Excise Settlement Commission; ?Customs, Excise and Service Tax Appellate Tribunal; ?Authority for Advance Rulings for Income Tax; ?Authority for Advance Rulings for Customs and Central Excise; ?National Committee for Promotion of Social and Economic Welfare; ?Competent Authorities appointed under Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976 & Narcotic Drugs and Psychotropic Substances Act, 1985; ?Financial Intelligence Unit, India (FIU-IND); and, ?Income Tax Ombudsman Administration The Headquarters of the Department of Revenue looks after matters relating to all administration work pertaining to the Department, coordination between the two boards (CBIC and CBDT), the administration of the Indian Stamp Act, 1899 (to the extent falling within the jurisdiction of the Union), the Central Sales Tax Act, 1956, the Narcotic Drugs and Psychotropic Substances Act, 1985 (NDPSA), the Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976 (SAFEM (FOP) A), the Foreign Exchange Management Act, 1999 (FEMA), Prevention of Money- Laundering Act, 2002 and the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA), and matters relating to the following attached/ subordinate offices of the Department: ?Enforcement Directorate ?Central Economic Intelligence Bureau (CEIB) ? Competent Authorities appointed under SAFEM (FOP) A and NDPSA ?Chief Controller of Factories ?Central Bureau of Narcotics ? Customs, Excise and Service Tax Appellate Tribunal (CESTAT) ?Appellate Tribunal for Forfeited Property (ATFP) ?Customs and Central Excise Settlement Commission (CCESC) ?Income Tax Settlement Commission (ITSC) ?Authority for Advance Rulings (AAR) for Customs and Central Excise NOTES Self-Instructional Material 103 Organization and Functions of Central Finance Ministry in India ?Authority for Advance Rulings (AAR) for Income Tax ?National Committee for Promotion of Social and Economic Welfare (NCPSEW) ?Financial Intelligence Unit, India (FIU-IND) ?Settlement Commission (Income Tax/Wealth Tax) ?Income Tax Ombudsman 3. The following items of works are also undertaken by the Headquarters: 1. Appointment of Chairman and Members of CBIC and CBDT 2. Chairman and Members of ATFP 3. Chairman, Vice Presidents and Members of CESTAT 4. Chairmen, Vice Chairmen and Members of CCESC and ITSC 5. Chairmen and Members of AARs for Customs/ Central Excise and Income Tax 6. Director of Enforcement 7. Director General of CEIB 8. Competent Authorities (SAFEM (FOP) Act and NDPS Act) 9. Director (FIU-IND) 10. Income Tax Ombudsman ?Setting up of Commissions/Committees under the Department ?Foreign training and assignment of officers of the Department IV. Department of Investment and Public Asset Management Earlier called the Department of Disinvestments, it came into existence in May 2004 when the ministry was turned into a department of the Ministry of Finance. The department took up all the functions of the erstwhile ministry which broadly was responsible for a systematic policy approach to disinvestment and privatization of Public Sector Units (PSUs). Vision 1. Promote people's ownership of Central Public Sector Enterprises to share in their prosperity through disinvestment. 2. Efficient management of public investment in CPSEs for accelerating economic development and augmenting Government's resources for higher expenditure

Mission 1. List CPSEs on stock exchanges to promote people's ownership through public participation and improving efficiencies of CPSEs through accountability to its shareholders.

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Mission 1. List CPSEs on stock exchanges to promote people's ownership through public participation and improving efficiencies of CPSEs through accountability to its shareholders.

Organization and Functions of Central Finance Ministry in India NOTES Self-Instructional 104 Material 2.

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To bring in operational efficiencies in CPSEs through strategic investment, ensuring their greater contribution to economy. 3. Adopt a professional approach for financial management of CPSEs in the national interest and investment aimed at expanding public participation in ownership of CPSEs.

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To bring in operational efficiencies in CPSEs through strategic investment, ensuring their greater contribution to economy. 3. Adopt a professional approach for financial management of CPSEs in the national interest and investment aimed at expanding public participation in ownership of CPSEs.

V.

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Department of Financial Services The mandate of the Department of Financial Services covers the functioning of Banks, Financial Institutions, Insurance Companies and the National Pension System.

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Department of Financial Services The mandate of the Department of Financial Services covers the functioning of Banks, Financial Institutions, Insurance Companies and the National Pension System.

The Department is headed by the Secretary (FS) who is assisted by three Additional Secretaries (AS), seven Joint Secretaries (JS), one Economic Adviser (EA) and a Deputy Director General (DDG). The Department of Financial Services (DFS) oversees several key programs/ initiatives and reforms of the Government concerning the Banking Sector, the Insurance Sector and the Pension Sector in India. Initiatives and reforms relating to Financial Inclusion, Social Security, and Insurance as a Risk Transfer mechanism; Credit Flow to the key sectors of the economy/ farmers/ common man are some of the key focus areas being dealt by the Department. The key flagship schemes being currently run/managed by the Department include the Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Mudra Yojana (PMMY), Atal Pension Yojana (APY), Pradhan Mantri Vaya Vandana Yojana (PMVVY) and the Stand Up India Scheme. The Department provides policy support to the

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Public Sector banks (PSBs), Public Sector Insurance Companies (PSICs) and Development Financial Institutions (DFIs) like National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI), India Infrastructure Finance Company Ltd. (IIFCL), National Housing Bank (NHB), Export-Import Bank of India (EXIM Bank), Industrial Finance Corporation of India (IFCI).

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Public Sector banks (PSBs), Public Sector Insurance Companies (PSICs) and Development Financial Institutions (DFIs) like National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI), India Infrastructure Finance Company Ltd. (IIFCL), National Housing Bank (NHB), Export-Import Bank of India (EXIM Bank), Industrial Finance Corporation of India (IFCI).

It also monitors the performance of these PSBs, PSICs and DFIs and undertakes policy formulation in respect of the Banking and Insurance Sector in India. This Department deals with legislative and policy issues pertaining to the concerned regulatory bodies i.e.

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the Reserve Bank of India (RBI), the Insurance Regulatory and Development Authority of India (IRDAI) and the Pension Fund Regulatory and Development Authority (PFRDA).

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the Reserve Bank of India (RBI), the Insurance Regulatory and Development Authority of India (IRDAI) and the Pension Fund Regulatory and Development Authority (PFRDA).

DFS also deals with the legislative framework relating to debt recovery. Matters relating to International Banking relations are also dealt by the Department.

NOTES Self-Instructional Material 105 Organization and Functions of Central Finance Ministry in India Check Your Progress 1. What does the Ministry of Finance concern itself with? 2. What is the Department of Expenditure responsible for? 3. What is the vision of the Department of Investment and Public Asset Management? 11.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1. In particular,

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the Ministry of Finance concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. 2. The

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the Ministry of Finance concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. 2. The

Department of Expenditure is responsible for the implementation of the recommendations of the Finance Commission and Central Pay Commission, monitoring of audit comments/ observations and the preparation of Central Government Accounts. 3. The vision of the Department of Investment and Public Asset Management is: (i) Promote people's ownership of Central Public Sector Enterprises to share in their prosperity through disinvestment. (ii) Efficient management of public investment in CPSEs for accelerating economic development and augmenting Government's resources for higher expenditure. 11.4 SUMMARY ?The Ministry of Finance (MoF) is the ministry of the Government of India concerned with the economy of India, serving as the Indian Treasury Department. ?Some functions of the Department of Economic Affairs are the formulation and monitoring of macroeconomic policies, including issues relating to fiscal policy and public finance, inflation, public debt management and the functioning of Capital Market including Stock Exchanges. ?The business allocated to the Department of Expenditure is carried out through its Personnel & Establishment Division, Public Finance (States) and Public Finance (

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Central) Divisions, Office of Controller General of Accounts, Office of Chief Adviser Cost, and Central Pension Accounting Office.

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Central) Divisions, Office of Controller General of Accounts, Office of Chief Adviser Cost, and Central Pension Accounting Office.

Organization and Functions of Central Finance Ministry in India NOTES Self-Instructional 106 Material ?The Headquarters of the Department of Revenue looks after matters relating to all administration work pertaining to the Department, coordination between the two boards (CBIC and CBDT), the administration of the Indian Stamp Act, 1899 (to the extent falling within the jurisdiction of the Union), the Central Sales Tax Act, 1956, the Narcotic Drugs and Psychotropic Substances Act, 1985 (NDPSA) etc. ?Earlier called the Department of Disinvestments, the Department of Investment and Public Asset Management came into existence in May 2004 when the ministry was turned into a department of the Ministry of Finance. ?The Department of Financial Services is headed by the Secretary (FS) who is assisted by three Additional Secretaries (AS), seven Joint Secretaries (JS), one Economic Adviser (EA) and a Deputy Director General (DDG). ?The Department of Financial Services provides policy support to the

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Public Sector banks (PSBs), Public Sector Insurance Companies (PSICs) and Development Financial Institutions (DFIs) like National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI)

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Public Sector banks (PSBs), Public Sector Insurance Companies (PSICs) and Development Financial Institutions (DFIs) like National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI)

and so on. 11.5 KEY WORDS ?Ministry of Finance: It is an important ministry within the Government of India concerned with the economy of India, serving as the Indian Treasury Department.

In particular, it

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concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. ?

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concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. ?

Department of Investment and Public Asset Management (DIPAM) : It deals with all matters relating to management of Central Government investments in equity including disinvestment of equity in Central

Public Sector Undertakings. 11.6

SELF ASSESSMENT QUESTIONS AND EXERCISES Short-Answer Questions 1. What is the principal responsibility of the Department of Economic Affairs? 2. List a few acts that the Department of Revenue administers. 3. Write a short note on the mission of the Department of Investment and Public Asset Management.

NOTES Self-Instructional Material 107 Organization and Functions of Central Finance Ministry in India Long-Answer Questions 1.

Explain the organization of the Department of Revenue. 2. Discuss the areas of function of the Department of Financial Services. 11.7 FURTHER READINGS

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Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.

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Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.

Sharma, M.P.

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and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.

Thavaraj, M.J.K. 1978 . Financial Management of Government . New Delhi: Sultan Chand Publishers.

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SA Public financial administration.docx (D166323443)

Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.

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Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.

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Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 108 Material BLOCK - V AUDIT AND ACCOUNTS OF PUBLIC FUND UNIT 12 COLLECTION, CUSTODY AND DISBURSEMENT OF PUBLIC FUNDS Structure 12.0 Introduction 12.1 Objectives 12.2 Public Revenue 12.3

Public Expenditure 12.4 Answers to Check Your Progress Questions 12.5 Summary 12.6 Key Words 12.7 Self Assessment Questions and Exercises 12.8 Further Readings 12.0 INTRODUCTION The

revenue that the government earns through the means of various sources in order to undertake its expenditures is termed as public revenue. It could be acquired from both tax and non-tax sources. Public expenditure, on the other hand, is the government's spending on all welfare schemes and general public expenditures such as health, roads, education, pension and so on. This unit provides an analysis of the

sources of public revenue and the theories related to public expenditure. 12.1

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OBJECTIVES After going through this unit, you will be able to: ?Understand the		

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OBJECTIVES After going through this unit, you will be able to: ?Understand the classification, sources and types of		

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OBJECTIVES After going through this unit, you will be able to: ?Understand the classification, sources and types of		

public

revenue ?Analyze the theories of public expenditure and its kinds 12.2

PUBLIC REVENUE Every government needs funds to finance its activities. Such funds are raised from various sources. It is difficult to give a complete list of all the sources of public receipts. But the important ones include taxes, income from currency, market borrowings, sale of public assets, income from public undertakings, fees, fines,

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gifts and donations, etc. Professor Dalton makes a distinction between public receipts and public revenue. While public receipts include receipts from all sources, public revenue is a narrower concept and excludes public borrowings, income from the sale of public assets, or receipts from the use of "printing press". It is a normal practice with a government to divide its receipts into "revenue" and "capital" categories. Broadly speaking, revenue receipts include "routine" and "earned" ones. For this reason, they do not include borrowings and recovery of loans from other parties, but they do include tax receipts, donations, grants, fees, and fines etc. Capital receipts, on the other hand, cover those items which are basically of non-repetitive and non-routine variety and change government's financial liabilities/assets. Classification of Public Revenue The following are the main classifications of public revenue given by different economists: ?Adam Smith's classification: Adam Smith classified public revenues into two categories, namely revenue from the public and revenue from state property. This classification is very narrow; it does not serve the purpose of modern finance. ?

Bastable's classification: Bastable also classified public revenues into two categories, namely income received by the government from various functions and income received by the government in the capacity of the 'state'. ?Seligman's classification: Seligman classified public revenues into three categories: (i) gratuitous revenue, (ii) compulsory revenue and (iii) contractual revenue. A major drawback of this classification is that it fails to describe unambiguously the differences between fees, prices and taxes. ?Lutz's classification: Lutz has classified public revenue into six categories: commercial revenue, administrative revenue, taxation, public debts, grants and bookkeeping revenue. Of these six categories, the last three are no longer included in the category of public revenue. ?Dalton's classification: According to Dalton, there are two main sources of public revenue: taxes and prices. He has identified twelve categories of public finance: taxes, gifts and reparations, compulsory loans, fines in courts, public enterprises, public property, fees in other payments, public monopolies (monopoly profits), duties, special assessment, voluntary gifts and mint.

Ideal classification of Findlay Shirras

All the aforementioned classifications have some type of lacuna in them. Shirras' classification of revenue into tax and non-tax categories is accepted as most convincing classification of public revenue.

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 110 Material

Tax revenue itself is divided into three sections: (a) Taxes on income and expenditure: This section covers all those taxes which are levied on receipts of income and expenditures such as corporation tax, income tax, expenditure tax, interest tax, and other similar taxes, if any, in force. (b) Taxes on property and capital transactions: This section covers taxes on specific forms of wealth and its transfers such as estate duty, wealth tax, gift tax, house tax, land revenue and stamps and registration fees, etc. (c) Taxes on commodities and services: This section includes taxes on production, sale, purchase, transport, storage, and consumption of goods and services. Non tax revenue of the government is divided into three sections: (a) Currency, coinage and mint : This category covers the receipts of Currency Note Press at Nasik, Security Paper Mill at Hoshangabad, Bank Note Press at Dewas and of the Mints. Profit from circulation of small coins is also included here. (b) Interest receipts, dividends and profits: This section comprises, apart from interest receipts on loans by the Government to other parties , dividends and profits from public sector undertakings run by or as government departments including other income generating departments. Examples are contributions from railways and posts and telecommunications, and surplus profits of the Reserve Bank of India transferred to the Government. (c) Other non-tax revenue: This section covers revenue from various government activities and services such as from administrative services, public service commission, police, jails,

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agriculture and allied services, industry and minerals, water and power development services, transport and communications, supplies and

disposal, public works, education, housing, information and publicity, broadcasting, grants-in-aid and contributions etc. Note that income and profit from the creation of currency by the government, i.e., the excess of face value of currency over its cost of creation are also included in this group of revenue.

Tax and non-tax revenues are discussed in detail in the following sub-section. Sources of Public Revenue: Tax and Non-Tax Revenues As shown in Figure 12.1, there are two sources of public revenue, namely tax revenue and non-tax revenue. A tax is a compulsory levy imposed by a public authority on persons and organizations to meet public expenditures. It is the compulsory payment made to the government. Refusal to pay the tax is a punishable offence. Every tax involves some sacrifice on the part of tax payers. A tax is not a fine or penalty. Non-tax revenue includes all revenues other than taxes, accruing

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to the government. These are internally generated funds, such as administrative revenues, commercial revenues, and grants and gifts.

Public revenue Tax revenue Non-tax revenue Direct taxes eg. Income tax, wealth tax Indirect taxes eg. Central excise, customs, VAT Interest receipts, dividends and fees from licenses, passports Fig. 12.1 Sources of Public Revenue

A.

Tax Revenues Let us discuss the various sources of tax revenues. 1. Direct Taxes A direct tax is a kind of charge, which is imposed directly on the taxpayer and paid directly to the government by the persons (juristic or natural) on whom it is imposed. A direct tax is one that cannot be shifted by the taxpayer to someone else. Some important direct taxes imposed in India are as under: ?Income Tax: Income Tax Act, 1961 (as amended) imposes tax on the income of the individuals or Hindu undivided families or firms or co-operative societies (other than companies) and trusts (identified as bodies of individuals

or associations of persons) or every artificial juridical person. The inclusion of a particular income in the total income

of a person for income-tax in India is based on his residential status. There are three residential status, viz., (i) Resident & Ordinarily Residents (Residents) (ii) Resident but not Ordinarily Residents and (iii) Non-Residents. There are several steps involved in determining the residential status of a person. All residents are taxable for all

of their income, including income outside India. Non residents are taxable only for the income received in India or Income accrued in India. Not ordinarily residents are taxable in relation to income received in India or income accrued in India and income from business or profession controlled from India. ?Corporation Tax: The companies and business organizations in India are taxed on the income from their worldwide transactions under the provision

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of Income Tax Act, 1961 (as amended). A corporation is deemed to be resident in India if it is incorporated in India or if its control and management is situated entirely in India. In case of non resident corporations, tax is levied on the income which is earned from their business transactions in India or any other Indian sources depending on bilateral agreement of that country. ?Property Tax: Property tax or 'house tax' is a local tax on buildings, along with appurtenant land, and imposed on owners. The tax power is vested in the states and it is delegated by law to the local bodies, specifying the valuation method, rate band, and collection procedures. The tax base is the annual ratable value (ARV) or area based rating. Owner-occupied and other properties not producing rent are assessed on cost and then converted into ARV by applying a percentage of cost, usually six percent. Vacant land is generally exempted from the assessment. The properties lying under the control of the centre are exempted from taxation. Instead a 'service charge' is permissible under executive order. Properties of foreign missions also enjoy tax exemption without an insistence for reciprocity. ?Inheritance and Estate Taxes : These taxes are levied on the demise of a person. A tax levied on those who inherit from the deceased person is termed as an inheritance tax and is usually assessed with reference to the overall tax liability of the inheritor. In contrast, an estate duty is levied on the entire wealth of the deceased person before and after the tax balance is inherited. Note that both taxes can be levied simultaneously. In India, estate duties came into existence in 1957 and were abolished in the budget for 1985-86 because of their widespread ill-effects and extremely small collection. The duties were imposed and collected by the Centre, the net proceeds were divided between the States. Similarly, estate duty on agricultural lands can be imposed only by the States. Some States were doing so and the Centre was collecting it on their behalf and distributing the net proceeds between them. They were also abolished. However, the 1989- 90 budget imposed a tax on transfer of wealth through inheritance and this tax was not shared with the States. In recent years, some ingredients of erstwhile estate duty have been replaced by some forms of wealth tax. ?Gift Tax: Gift tax in India is regulated by the Gift Tax Act which was constituted on 1st April, 1958. It came into effect in all parts of the country except Jammu and Kashmir. As per the Gift Act, 1958, all gifts in excess of 25,000, in the form of cash, draft, check or others, received from one who doesn't have blood relations with the recipient, were taxable. However, with effect from 1st October, 1998, gift tax got demolished and all the gifts

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made on or after the date were free from tax. But in 2004, the act was again revived partially. A new provision was introduced in the Income Tax Act, 1961 under section 56 (2). According to it, the gifts received by any individual or Hindu Undivided Family (HUF) in

excess of 50,000 in a year would be taxable. 2. Indirect Tax An indirect tax is a tax collected by an intermediary (such as a retail store) from the person who bears the ultimate economic burden of the tax (such as the customer). An indirect tax is one that can be shifted by the taxpayer to someone else. An indirect tax may increase the price of a good so that consumers are actually paying the tax by paying more for the products. Some important indirect taxes imposed in India are as under: ?Customs Duty: The Customs Act was formulated in 1962 to prevent illegal imports and exports of goods. Besides, all imports are sought to be subject to a duty with a view to affording protection to indigenous industries as well as to keep the imports to the minimum in the interests of securing the exchange rate of Indian currency. Duties of customs are levied on goods imported or exported from India at the rate specified under the Customs Tariff Act, 1975 as amended from time to time or any other law for the time being in force. Under the custom laws, the various types of duties are leviable. oBasic Duty: This duty is levied on imported goods under the Customs Act, 1962. oAdditional Duty (Countervailing Duty) (CVD): This is levied under Section 3 of the Custom Tariff Act and is equal to excise duty levied on a like product manufactured or produced in India. If a like product is not manufactured or produced in India, the excise duty that would be leviable on that product had it been manufactured or produced in India is the duty payable. If the product is leviable at different rates, the highest rate among those rates is the rate applicable. Such duty is leviable on the value of goods plus basic custom duty payable. oAdditional Duty to compensate duty on inputs used by Indian manufacturers: This is levied under Section 3(3) of the Customs Act. (4) Anti-dumping Duty: Sometimes, foreign sellers abroad may export into India goods at prices below the amounts charged by them in their domestic markets in order to capture Indian markets to the detriment of Indian industry. This is known as dumping. In order to prevent dumping, the Central Government may levy additional duty equal to the margin of dumping on such articles. There are however certain restrictions on imposing dumping duties in case of countries which are signatories to the GATT or on countries given "Most Favoured Nation Status" under agreement.

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 114 Material oProtective

Duty: If the Tariff Commission set up by law recommends that in order to protect the interests of Indian industry, the Central Government may levy protective anti-dumping duties at the rate recommended on specified goods.

- oDuty on Bounty Fed Articles: In case a foreign country subsidizes its exporters for exporting goods to India, the Central Government may impose additional import duty equal to the amount of such subsidy or bounty. If the amount of subsidy or bounty cannot be clearly determined immediately, additional duty may be collected on a provisional basis and after final determination, difference may be collected or refunded, as the case may be.
- oExport Duty: Such duty is levied on export of goods. At present very few articles such as skins and leather are subject to export duty. The main purpose of this duty is to restrict exports of certain goods.
- oCess on Export: Under sub-section (1) of Section 3 of the Agricultural & Processed Food Products Export Cess Act, 1985 (3 of 1986), 0.5% ad valorem as the rate of duty of customs be levied and collected as cess on export of all scheduled products.
- oNational Calamity Contingent Duty: This duty was imposed under Section 134 of the Finance Act, 2003 on imported petroleum crude oil. This tax was also leviable on motor cars, imported multi-utility vehicles, two wheelers and mobile phones.
- oEducation Cess: Education Cess is leviable @ 2% on the aggregate of duties of Customs (except safeguard duty under Section 8B and 8C, CVD under Section 9 and anti-dumping duty under Section 9A of the Customs Tariff Act, 1985). Items attracting Customs Duty at bound rates under international commitments are exempted from this Cess.
- oSecondary and Higher Education Cess: Leviable @1% on the aggregate of duties of Customs.
- Road Cess: Additional Duty of Customs on Motor Spirit is leviable and Additional Duty of Customs on High Speed Diesel Oil is leviable by the Finance Act (No.2), 1998. and the Finance Act, 1999 respectively.
- oSurcharges on Motor Spirit: Special Additional Duty of Customs (Surcharge) on Motor Spirit is leviable by the Finance Act, 2002.

Central Excise Duty: The Central Government levies excise duty under the Central Excise Act, 1944 and the Central Excise Tariff Act, 1985. Central excise duty is tax which is charged on such excisable goods that are manufactured in India and are meant for domestic consumption. The term "excisable goods" means the goods which are specified in the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985. It is

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mandatory to pay Central Excise duty payable on the goods manufactured, unless exempted eg; duty is not payable on the goods exported out of India. Further, various other exemptions are also notified by the Government from the payment of duty by the manufacturers. Various Central Excise are:

- oBasis Excise Duty: Excise Duty, imposed under Section 3 of the 'Central Excises and Salt Act' of 1944 on all excisable goods other than salt produced or manufactured in India, at the rates set forth in the schedule to the Central Excise tariff Act, 1985, falls under the category of Basic Excise Duty In India.
- oSpecial Excise Duty: According to Section 37 of the Finance Act, 1978, Special Excise Duty is levied on all excisable goods that come under taxation, in line with the Basic Excise Duty under the Central Excises and Salt Act of 1944. Therefore, each year the Finance Act spells out that whether the Special Excise Duty shall or shall not be charged, and eventually collected during the relevant financial year.
- oAdditional Duty of Excise: Section 3 of the 'Additional Duties of Excise Act' of 1957 permits the charge and collection of excise duty in respect of the goods as listed in the Schedule of this Act.

oRoad Cess: (a)

Additional Duty of Excise on Motor Spirit: This is leviable by the Finance Act (No.2), 1998. (

b)

Additional Duty of Excise on High Speed Diesel Oil: This is leviable by the Finance Act, 1999.

oSurcharges: (a)

Special Additional Duty of Excise on Motor Spirit: This is leviable by the Finance Act, 2002. (

b)

Surcharge on Pan Masala and Tobacco Products: This Additional Duty of Excise has been imposed on cigarettes, pan masala and certain specified tobacco products, at specified rates in the Budget 2005-06. Bidis are not subjected to this levy.

- oNational Calamity Contingent Duty (NCCD): NCCD was levied on pan masala and certain specified tobacco products vide the Finance Act, 2001. The Finance Act, 2003 extended this levy to polyester filament yarn, motor car, two wheeler and multi-utility vehicle and crude petroleum oil.
- oEducation Cess: Education Cess is leviable @2% on the aggregate of duties of Excise and Secondary and Higher Education Cess is Leviable @1% on the aggregate of duties of Excise.
- oCess : A cess has been imposed on certain products.

Service Tax : The service providers in India except those in the state of Jammu and Kashmir are required to pay a Service Tax under the provisions of the

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 116 Material

Finance Act of 1994. The provisions related to Service Tax came into effect on 1st July, 1994. Under Section 67 of this Act, the Service Tax is levied on the gross or aggregate amount charged by the service provider on the receiver. However, in terms of Rule 6 of Service Tax Rules, 1994, the tax is permitted to be paid on the value received. The interesting thing about Service Tax in India is that the Government depends heavily on the voluntary compliance of the service providers for collecting Service Tax in India.

Service Tax : In India, sales tax can be imposed only by the States on the sale/purchase, etc. of goods. Most States were doing so. It was being levied at successive sales of an item on the full sale value. This system had its own ill-effects particularly in the form of adding to the costs and prices. Therefore, in accordance with what several other countries had done, in India States were persuaded to switch over to another form of sales tax, termed VAT. It is also levied on successive transactions of an item but only on the "value added" after the preceding transaction. If implemented properly, VAT has several advantages over sales tax such as avoidance of taxation of the already paid taxes. In addition, the Centre levies Central Sales Tax on inter-state transactions and its net proceeds go to the States. CST was abolished when the GST (Goods and Services Tax) came into effect on an all-India basis.

Value Added Tax (VAT): The practice of VAT executed by State Governments was applied on each stage of sale, with a particular apparatus of credit for the input VAT paid. VAT in India classified under the tax slabs are 0% for essential commodities, 1% on gold ingots and expensive stones, 4% on industrial inputs, capital merchandise and commodities of mass consumption, and 12.5% on other items. Variable rates (State-dependent) are applicable for petroleum products, tobacco, liquor, etc. VAT levy will be administered by the Value Added Tax Act and the rules made there-

under and

similar to a sales tax. It is a tax on the estimated market value added to a product or material at each stage of its manufacture or distribution, ultimately passed on to the consumer. Under the current single-point system of tax levy, the manufacturer or importer of goods into a State is liable to sales tax. There is no sales tax on the further distribution channel. VAT, in simple terms, is a multi-point levy on each of the entities in the supply chain. The value addition in the hands of each of the entities is subject to tax. VAT can be computed by using any of the three methods: oSubtraction method: The tax rate is applied to the difference between the value of output and the cost of input. oThe Addition method: The value added is computed by adding all the payments that are payable to the factors of production (viz., wages, salaries, interest payments etc).

NOTES Self-Instructional Material 117 Collection, Custody and Disbursement of Public Funds oTax

credit method: This entails set-off of the tax paid on inputs from tax collected on sales.

VAT was abolished after the introduction of the GST in India ?

Securities Transaction Tax (STT): STT is a tax, which is levied on all transactions done on the stock exchanges. It is applicable on purchase or sale of equity shares, derivatives, equity-oriented funds and equity-oriented mutual funds. Current STT on purchase or sale of an equity share is 0.075%. A person becomes an investor after payment of STT at the time of selling securities (shares). Sale of shares after 12 months does not attract this tax or tax on long-term gains. However, a gain on selling of shares before 12 months is termed short-term gain and attracts a tax at a flat rate of 10%. Further, for a trader, all his gains are treated as trading (Business) gains and he has to pay tax as per tax slabs. In this case, the transaction tax paid by him can be claimed back/adjusted in tax to be paid.

Check Your Progress 1. Which items do capital receipts cover? 2. When is a corporation deemed to be resident in India? 3. What were the tax slabs for various items under VAT? 4. What is Securities Transaction Tax (STT)? 12.3

PUBLIC EXPENDITURE Public expenditure refers to

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the expenses which a government incurs for (i) its own maintenance, (ii) the society and the economy, and (iii) helping other countries.

In practice, however, with expanding State activities, it is becoming increasingly difficult to separate the portion of public expenditure meant for the maintenance of the government itself from the total. Historically, public expenditure has recorded a continuous increase over time in almost every country. However, traditional thinking and philosophy did not favour this trend because it rated market mechanism as a better guide for the working of the economy and allocation of its resources. It was argued that each economic unit was the best judge of its own economic interests and the government should not try to decide on behalf of others. Furthermore, while a private economic unit was guided by its own economic interests, the public sector had no such motivation. Accordingly, its efficiency was bound to be very low. Had this philosophy been practised in its entirety, public expenditure would not have grown as rapidly as it did. In reality, however, the state could not ignore problems of economic growth and social injustice. It could not remain a silent spectator of the

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 118 Material

miseries of the people. This resulted in the acceptance of several versions of socialist and welfare philosophy. However, in spite of the fact that public expenditure has increased rapidly during the last two centuries or so in almost every State, and in spite of its growing role and importance in national economies, the area of public expenditure remains relatively unexplored. As Lowell Harris says, "the economists have generally concentrated their attention on the theory of taxation. The theory of public expenditure has been more or less confined to that of generalities in terms of the effects of public expenditure on employment and prices etc." Of course, it may be pointed out, that lately this deficiency is being removed by various studies in the field of public expenditure. Theories of Increasing

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Public Expenditure There are two important and well known theories of increasing public expenditure

which we shall be discussing below. The first one is connected with Wagner and the other with Wiseman and Peacock. 1.

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Wagner's Law of Increasing State Activities Adolph Wagner (1835–1917) was a German economist who based his Law of Increasing State Activities on historical facts, primarily of Germany. According to Wagner, there are inherent tendencies for the activities of different layers of a government (such as central and state governments) to increase both intensively and extensively. There is a functional relationship between the growth of an economy and government activities with the result that the governmental sector grows faster than the economy. From the original version of this theory it is not clear whether Wagner was referring to an increase in

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there are inherent tendencies for the activities of different layers of

the following: (

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a) absolute level of public expenditure (b) the ratio of government expenditure to GNP (c) proportion of public sector in the total economy

Musgrave believes that Wagner was thinking of (c) above. F. S. Nitti not only supported Wagner's thesis but also concluded with empirical evidence that it was equally applicable to several other governments which differed widely from each other.

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All kinds of governments, irrespective of their levels (say, the central or state governments), intentions (peaceful or warlike), and size, etc., had exhibited the same tendency of increasing public expenditure. A number of reasons can be enumerated for this inherent long-term tendency recorded in history. (i) An expansion in the traditional functions of the State. Defence became increasingly more expensive over time. Within the country, administrative

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set kept increasing both in coverage and intensity. The government machinery had to be manned by experts in their fields. With the progress of society, administration of the government, and its services had to become increasingly more extensive, cumbersome and expensive so as to retain efficiency. (ii) State activities were increasing in coverage. Traditionally they were limited to only defence, justice, law and order, maintenance of the State and social overheads. But with

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growing awareness of its responsibilities to the society, the government started expanding its activities in hitherto unexplored field of socio-economic welfare. These measures included efforts to enrich cultural life of the society and provision of social security to the people (such as old age pensions and so on). Subsidies for and direct provision of various merit goods also registered an increase. Most governments also took active steps to ensure distributive justice by reducing income and wealth inequalities. (iii) The need to provide and expand the sphere of public goods received an increasing attention. The State tried to shift the composition of national produce in favour of public goods, and this, in turn, necessitated an expansion of investment activity of the government. Wagner's Law was based upon historical facts. It did not reveal the inner compulsions under which a government has to increase its activities and public expenditure as time passes. It was applicable only to modern progressive governments which were interested in expanding public sector of the economy for its overall benefit. This general tendency of expanding State activities had a definite long-term trend, though in the short run, financial difficulties could come in its way. "But in the long-run the desire for development of a progressive people will always overcome these financial difficulties." Thus, Wagner was emphasizing long-term trend rather than short-term changes in public expenditure. Moreover, he was not concerned with the mechanism of increase in public expenditure. Since his study is based on the historical experience, the precise quantitative relationship between the extent of increase in public expenditure and time taken by it was not fixed in any logical or functional manner. His contention that public expenditure had been increasing over time, could not be used to predict its rate

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increase in future. Actually, it is consistent with Wagner's law to state that in future the State expenditure would increase at a rate slower than the national income

though, factually speaking, it had increased at a faster rate in the past.

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Thus in the initial stages of economic growth, the State finds that it has to expand its activities quite fast in several fields like education, health, civic amenities, transport, communications, and so on. But when the initial deficiency is removed, then the increase in State activities may be slowed down.

Collection, Custody and Disbursement of Public Funds
NOTES Self-Instructional 120 Material Fig. 12.2 Factors Resulting in Increase in Public Expenditure

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Additional Factors which contribute to the tendency of increasing public expenditure relate to a growing role of the State in ever-increasing socio-economic complexities of modern society. (i) Many societies are experiencing a growing population which becomes a major contributory factor in the growth of public expenditure. The sheer scale of state services has to increase to keep pace with population growth, including, for example, more schools, hospitals, and police, etc. (ii) Most countries have registered increasing urbanization. Existing cities grow and new ones come up.

Urbanization

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implies a much larger per capita expenditure on civic amenities. It necessitates a much larger supply of incidental services like those connected with traffic, roads, and so. (iii) Prices have a secular tendency to go up. This also adds to public expenditure even if the scale of state services remains unchanged. (iv) The size and nature of public services necessitates an ever-increasing specialization. The quality of the services improves, both as a historical fact as also due to circumstantial compulsions. Better quality services and higher qualified administrators, technicians, etc., imply a higher cost of providing public services. Also, the government has to purchase a number of goods and services for its own maintenance. With rising prices, expenditure on them also goes up.

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v) A modern government considers it a part of its duty to protect the economy from the "failures" of market mechanism. Accordingly, anticyclical and other regulatory measures

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are adopted. Efforts are made to reduce the income and wealth inequalities and bring about social and economic justice which, in turn, add to public expenditure. (vi) Modern governments have shown a tendency to run into debt and this leads to a subsequent increase in public expenditure in the form of increasing cost of debt servicing and repayment of the loans. (vii) Popularity of the philosophy of planning and economic growth as also increasing government activities in the areas of capital accumulation and economic growth have also contributed to the growth of public sector. (viii) Musgrave

and Musgrave emphasize a

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growing complementarity between public and private consumer and capital goods so that with an increase in per capita income, demand for public services also increases with a corresponding growth in public expenditure. (ix) There is an inherent tendency of vested interests to develop which demand an increase in public expenditure for their own benefit. For this reason, a variety of subsidies and other avoidable expenditures inflate the public budget. (x) It is claimed that government bureaucracy has an inherent tendency to expand irrespective of the size and nature of public services provided by it. (xi) Recent investigations have brought into focus productivity and efficiency dimensions of government organs and public undertakings as also the manner in which these dimensions push up public expenditure. Specific mention may be made of the concepts of "productivity lag" advanced by Allan Peacock and Baumol's Disease. According to these concepts, public sector is less efficient and productive than the private one, and tends to be more labour intensive (or overstaffed). Similarly, an element of avoidable inefficiency and therefore cost (termed X-inefficiency) creeps in due to poor supervision, nonfixation of responsibility, noncheck on output of individual employees and nonquantification of government services. (xii) At the same time, there is a myth that the individuals can voluntarily get together to resolve market deficiencies without government intervention.

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is known as Coase Fallacy. The myth is explained by Fundamental Non Decentralizability Theorem expounded by B. Greenland and J. Stiglitz. Wagner's model has an important analytical limitation which can be removed in an expanded version. A government is not a monolithic entity. It comprises a number of organs and associated institutions. Households and business units in the private sector also do not observe government activities passively. Instead, they respond to them more actively. Thus, the government decision-making has become a complex phenomenon and has multifarious tendencies to increase public expenditure.

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 122 Material Buchanan and Tullock, in the

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context of US experience, have viewed Wagner's theory in terms of increasing discrepancy between growth of government expenditure and

government

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output and termed the phenomenon as "Wagner Squared" hypothesis. They base their argument on two facts. Firstly, in contrast with the situation prevailing in the private sector, expenditure on civil servants grows faster than the corresponding increase in their output. Secondly, with increasing social security and other measures, the proportion of population receiving transfer payments from authorities keeps increasing. This way, public expenditure increases both in absolute terms and as a proportion of national income. It may be noted that even if the expenditure on civil services as a proportion of expenditure on employees in the private sector does not increase, and even if the proportion of population receiving transfer payments remains stable, the Wagner Squared hypothesis would hold. The major limitation of this hypothesis is that output of public servants cannot be measured with any degree of accuracy.

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Alan Tait Peacock does not agree with this explanation of Buchanan and Tullock. He says that a typical individual does not relate his tax payments with the receipt of government services. He considers his tax liabilities as they are and strives for additional public services; that is, he fights for additional opportunities for milking government services and not for reducing taxes. The politicians, to win their votes, try to expand government services and therefore impose more taxes. The government expenditure keeps on increasing without any reference to productivity/cost ratio of government services. We may add that modern governments have found new weapons whereby to increase their expenditure even without collecting more taxes. They now own public undertakings which can be a source of revenue to them. But more important than that is their capacity and willingness to resort to deficit financing. Even in advanced countries deficit financing has become a common occurrence. The public opinion is not strong enough to check this sort of policy even though it has disastrous inflationary effects. 2. Wiseman-Peacock Hypothesis The second thesis dealing with the growth of public expenditure was put forth by Wiseman and Peacock in their study of public expenditure in UK for the period 1890-1955. The main thesis of the authors is that public expenditure does not increase in a smooth and continuous manner, but in jerks or step like fashion. At times some social or other disturbance takes place, creating a need for increased public expenditure which the existing public revenue cannot meet. While earlier, due to an insufficient pressure for public expenditure, the revenue constraint was dominating and restraining an expansion in public expenditure, now under changed requirements such a restraint gives way. The public expenditure increases and makes the inadequacy of the present revenue quite clear to every one. The movement from the older level of expenditure and taxation to a new and higher level is the displacement effect. The inadequacy of the revenue as compared with

NOTES Self-Instructional Material 123 Collection, Custody and Disbursement of Public Funds

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the required public expenditure creates an inspection effect. The government and the people review the revenue position and the need to find a solution of the important problems that have come up and agree to the required adjustments to finance the increased expenditure. They attain a new level of tax tolerance. They are now ready to tolerate a greater burden of taxation and, as a result, the general level of expenditure and revenue goes up. In this way, the public expenditure and revenue get stabilized at a new level till another disturbance occurs to cause a displacement effect. Thus each major disturbance leads to the government assuming a larger proportion of the total national economic activity. In other words, there is a concentration effect. The concentration effect also refers to the apparent tendency for central government economic activity to grow faster than that of the state and local level governments.

British data are consistent with this hypothesis, but its application to other countries needs verification.

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Moreover, this aspect of concentration effect is also closely connected with the political set up of the country. On the face of it, Wiseman Peacock hypothesis looks quite convincing. But we must remember that they are emphasizing the recurrence of abnormal situations which cause sizeable jumps in public expenditure and revenue. In all fairness to the historical facts, we must not forget that on account of advancement of the economy and the structural changes therein, there are constant and regular increments in public expenditure and revenue. Public expenditure has a tendency to grow on account of a systematic expansion of the public activities as also an increase in their intensity and quality. Increasing population, urbanization and an ever increasing awareness of the civic rights on the part of the public, coupled with an increasing awareness of its duties on the part of the State, leads to an upward movement of public expenditure. To an extent, public expenditure gets financed by ever increasing revenue which is made possible through the expansion and structural changes in the economy.

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These days, in underdeveloped countries like India, the State is deliberately trying to increase its activities and makes an effort to finance those activities through various tax efforts. Even in developed countries, the State finds that it has to perform an increasing regulatory duty to protect the economy against instability and excessive inequalities of income and wealth. Thus, Wiseman Peacock hypothesis is still a description of a particular tendency and does not isolate all the relevant causes at work. It must be emphasized that apart from various factors like population growth, defence expenditure, urbanization, rising prices etc., which by themselves

push up

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public expenditure, an important additional contributory force is the failure of market mechanism in achieving various

socio-economic

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objectives of the country. Inherent deficiencies of market mechanism make the economy a prey of economic instability, income and wealth inequalities, defective patterns of consumption, employment and investment and so on. In a number of cases, the market mechanism is not able to pull the economy out of its vicious circle of poverty and launch it on a path of secular and rapid economic growth. Therefore, the government is forced to increase its field of activities with a corresponding increase in public expenditure.

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 124 Material

Comparison between Private and Public Expenditure With regard to similarities between the public and private expenditures, we can hypothesize that

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both private units and public authorities try to maximize returns per unit of expenditure (the returns being the objectives to be achieved).

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Any shortfall on this front will be on account of inefficiency, uncertainty, lack of foresight and similar other causes.

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Both private economic units and public authorities take a collective view of the income, expenditure and the possibilities of adjustments in each.

While an individual chooses between an effort to earn and leisure, and a firm thinks of the cost of earning more and spending more, the public authorities compare effects of additional revenue with those of extra expenditure. It must also be remembered that in each case there can be more than one way of raising additional income. The authorities, for example, can plan to raise the additional tax or nontax revenue, or borrowing or even raising taxation in various forms. There are, therefore, problems of overall efficient and integrated management of finances. They are related to the alternative ways in which finances can be raised, the efforts needed to raise them, the effects of such revenue efforts and the corresponding benefits of the expenditure which are to be incurred. It is also obvious that depending upon circumstances prevailing at the time, the net equilibrating solution will differ. While in some cases a larger tax and expenditure level would be desirable, in others the amount indicated will be smaller. Similarly, in the case of private finance, we have different levels at which the solutions will be found. However, while

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private and public expenditures are similar in their overall and complex ramifications, the dissimilarities between them are also quite glaring. The first such dissimilarity is the objective with which the expenditure is incurred. In the case of an individual economic unit, generally an exchange relationship determines the mode, pattern and volume of expenditure. As a consumer, an individual equates the marginal utility of the good (or service) purchased with the disutility of expenditure. A commercial economic unit compares private marginal returns from

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expenditure with the amount spent. Public authorities however cannot and do not always adopt a commercial attitude towards their expenditure plans. They have to consider social benefits generated in the process of their expenditure activities. And in quite a few cases these benefits are vague and immeasurable. The State has to impute social valuation to these benefits and decide whether it is worthwhile undertaking these expenditures or not. Also, certain State expenditures are directed at bringing about social and economic justice. The benefits of such State expenditures cannot be evaluated directly.

Keeping in view the fact that the State is the guardian of the social welfare and economic and social health of the society, provision for many public services is not decided on the basis of their cost-effectiveness. Moreover, an individual has a limited horizon covering only a foreseeable future. The State, on the other hand, takes a much longer view. For this reason, the State may adopt even a policy of

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permanent budgetary deficit. A private economic unit cannot do so. The objectives of public expenditure are now far wider than imagined earlier.

Kinds

of Public Expenditure It is conventional to classify public expenditure into various economic categories. Accounting classification has been there for centuries because it enables the State executive to maintain an effective control and check over public expenditure and possible leakages and wastage, diversions and misappropriations. It may be departmental classification or classification according to heads of expenditure. Such a classification is good for auditing and for safeguarding against misappropriations, etc., but it does not help us in understanding its effects. It is, therefore, difficult to formulate an appropriate expenditure policy on this basis. In the same way, a distinction between obligatory (or legally committed) expenditure and optional expenditure can only highlight the constraints under which the government's budgetary policy has to work. It cannot bring out fully the possible effects of different expenditure policies. These days, however, an increasing need for useful and effective classification of public expenditure is felt. It is only through such classification that the economic effects of various State activities can be gauged and proper policies formulated. A fuller discussion of the economic classification of the government budgets will be taken up in a later portion of the book. Here, however, we can take up two classifications of public expenditure, each of them indicating an area of possible effects on the economy. Public Expenditure Classification Productive and Unproductive Plan and Non-Plan Transfer and Non-Transfer Fig. 12.3 Classification of Public Expenditure

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Productive and Unproductive Expenditures This distinction emphasizes that while some expenditures are in

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in the nature of consumption, others are in the nature of investment and help the economy in improving its productive capacity. Under the laissez-faire philosophy, the only productive public expenditures are those which are incurred to create and maintain social overheads. Expenditures on administration, defence, justice, law and order, and maintenance of the State are unproductive.

Adam Smith believed that an economy added to its productive capacity in the longrun only through additions to its capital stock and production of tangible goods. If we extend this logic to public expenditure, it will follow that only those public expenditures are productive which

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 126 Material

create some tangible assets in the economy and enable it to produce more in future. Some people would like to adhere to the usual classical thinking in which the government sector is considered as something foreign and alien to the economy proper. In this case, only those public expenditures are productive which add to the tangible assets of the government, or more precisely income yielding tangible assets of the government including public enterprises of commercial type. The government would be charging for the services of those enterprises to pay for them. Depending upon the pricing policies and other factors, such public expenditures may be, partially or fully, self-liquidating. They could even be a source of profit for the authorities. It is obvious that the foregoing analytical framework is totally unrealistic. Basically the government sector is a part and parcel of the economy as a whole and must be considered as such. Accordingly, whether an asset is added to the ownership of the government or to that of the private sector should not be the determining factor in deciding about the productiveness or otherwise of any public expenditure. Secondly, it would also follow that there are many assets which do not yield an income to the government, but which would be really necessary for the productive efficiency of the economy. Such assets ought to be termed productive even though on normal commercial considerations they are not. Parks, waterworks and similar goods and services which add to the productive efficiency of the economy must be viewed as productive assets, and expenditure on their creation and maintenance as the productive expenditure. Such public expenditure is, therefore, also self-liquidating in an indirect manner. There will be an increase in the national product and the authorities will be able to collect, even without raising the tax rates or their coverage, an additional revenue. Thirdly, it is not necessary that the so called productive assets must be in some tangible form only such as buildings, machinery and the like. The productive power of the society can reside in the form of human wealth also. It can manifest itself in different forms. If through education, training, health, better living conditions, better labour relations, etc., the working population of the country can add to its productive power, the expenditure on such items should certainly be termed productive. Even if some of these expenditures do not add to the productive effort and national income, they will be adding to the enjoyment of the people. Of course, just as some tangible assets can be useless, so can be some expenditures on particular types of education and training, etc. But that is a question of choosing proper forms of education and training which would be useful for the economy. Fourthly, there are certain public expenditures without which the economy cannot live and cannot maintain its productivity. Rather in many cases such expenditures indirectly help the economy in attaining higher levels of productivity. Examples are those of defence expenditure, expenditure on research, and so on. Even efficient administration, communication, and other infrastructural facilities

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indirectly add to the health and efficiency of the economy. Similarly, some institutions and work culture enhance the economy's productivity while others retard it. Therefore, a precise distinction between productive and unproductive public expenditure is not an easy task. Each case has to be judged on its own merits. Basically, we may take the position that any wasteful and avoidable expenditure is unproductive, while all the necessary and relevant expenditure is productive.

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Transfer and Non-transfer Expenditures This classification was favoured by Pigou.

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transfer expenditure is a payment without corresponding receipt of goods and services by the State. Examples are interest payments, old age pensions and unemployment benefits. In these cases, the government is simply transferring the right or claim to use the goods and services to certain sections of the society. In contrast, nontransfer expenditure is that by which the State pays for its purchases or use of goods and services. While in the case of transfer expenditure, the beneficiaries are to decide about the use of real resources, in the case of nontransfer expenditure, it is the State which uses the resources straightaway. Such a use of resources by the State, of course, may be for consumption purposes or for investment purposes. Expenditure on defence, education and such like things are all of nontransfer or real expenditure type as are the investment expenditures.

It must, of course, be remembered that when the government incurs a real expenditure, it is not implied that the government will necessarily purchase at the market rates. For one reason or the other, the government may be purchasing at concessional rates or at non-economic rates.

Expenditure classified as

Plan and Non-Plan Expenditure Plan expenditure in the Government, generally, signifies expenditure taken up under development schemes during a particular Five Year Plan. However, some of these schemes can be continued from a previous plan or some may be 'spill-overs'. At the initial stages of the exercise of preparation of a Five Year Plan, Planning Commission issues detailed instructions directing what should be classified as 'Plan Expenditure'. The plan schemes are mostly expected to be limited to a Five Year Plan period. But they may have implications that may extend beyond the plan period. Major issues relating to plan/non-plan distinction Due to the complex nature of Government, the policy regarding what should get classified as plan expenditure and what should get classified as Non-Plan expenditure has been losing clarity. Besides, a notion has widely gained ground among the policy makers and officials across all levels that plan expenditure is good and Non-Plan is bad. This bias in favour of Plan expenditure and against Non-Plan expenditure has led to a situation in which essential Non-Plan expenditure like maintenance of assets is neglected. This has also led to a motivation for showing higher plan expenditure and higher plan sizes both at Central and State levels.

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 128 Material

Further, several factors such as shift of plan focus from capital to revenue expenditure and the process of transferring expenditure of old schemes to Non- Plan at the end of each Five Year Plan mean that correspondence cannot be drawn between plan and development expenditure. The Plan/Non-Plan bifurcation of expenditure has contributed to a fragmented view of resource allocation to various programmes/ schemes. With fragmented view, it is difficult not only to ascertain cost of delivering a service but also to link outlays to outcomes. Outcomes and outputs of programmes depend on total expenditure, Plan and Non-Plan put together and not merely on Plan expenditure which constitutes about 30% of the total expenditure only. To conclude, Plan and Non-Plan distinction in the budget is neither able to provide a satisfactory classification of developmental and non-developmental dimensions of Government expenditure nor an appropriate budgetary framework. It has, therefore, become dysfunctional. Thus, it is recommended that Plan and Non-Plan distinction in the budget should be removed. At the Central Government level, Planning Commission may be responsible, for the sake of convenience and domain knowledge, for guiding the overall development priorities of the Government, setting of outcome targets and review of performance of Ministries/Departments. Ministry of Finance may be responsible for guiding the fiscal policy, preparation of budget and financial decisions. Planning Commission may be responsible for consolidation of the Five Year Plan covering all Services based on the inputs from the Ministry of Finance. The annual budgeting process may need to be revised to facilitate output and outcome-based budgeting within a multi-year framework.

Current scheme of

classification of public expenditure in India The expenditure of the Government is classified into functional heads. The functional classification signifies broadly the function of Government for which the expenditure has been incurred and the activity on which the expenditure has been incurred. The functional classification being followed as of now, is a six tier structure with a hierarchy of major, sub-major, minor, sub-head, detailed heads and object head. The first tier of the functional classification, called the major head denotes the functions of the Government that are discharged through the expenditure. The second tier of functional classification provides the description of sub functions. The third tier, denoted by the minor head, indicates the objective of the Government being achieved through that particular expenditure. Below the minor head are the two tiers of sub heads (fourth tier) and detailed heads (fifth tier). The Sub head indicates specific schemes or activities of the Government under which the expenditure has been incurred and the detailed head indicates various components of the schemes or sub schemes. The sixth tier of object head provides details about the object of expenditure. Thus, this forms a two dimensional classification where the expenditure is classified into object heads for each functional head. The division provided by Plan/Non-Plan classification is laid over the functional and

NOTES Self-Instructional Material 129 Collection, Custody and Disbursement of Public Funds

object classification. This division cuts across the entire classification hierarchy into two columns. Canons of Expenditure Like canons of taxation, people have propounded canons of public expenditure also which should govern the public expenditure decisions. They reflect the philosophy of a judicious use of public funds with associated legal propriety. Some of these canons are in the nature of administrative safeguards while others are expected to help the economy and society in achieving their diverse objectives. It, of course, goes without saying that these canons are only broad generalizations and detailed guidelines have to be worked out in each specific case. 1.Canon of Economy : The resources of the economy are always scarce compared with its needs. No wastage should, therefore, be permitted. Public expenditure is the financial counterpart of the resources which the government uses up directly or places at the disposal of certain sections of the society for this purpose. It is therefore, essential that the process of public expenditure should not involve the use of resources more than what are just necessary. Utmost care must be taken to avoid wasteful usage of public funds. And as the sphere of government activities increases both in coverage and quality, it becomes all the more difficult to judge the exact type and extent of wasteful expenditure. Therefore, still greater care and a scientific approach towards the assessment of the required expenditure is needed. Techniques like those of programme and performance budgeting and zero base budgeting have been developed to meet these objectives. One form of wastage of public expenditure is the delay that often accompanies in formulating the plans of public expenditure, their sanction and their execution. On account of the faulty planning and execution and the delays involved, some benefits are lost; or to put it differently, for given benefits the authorities pay more. Furthermore, on account of delays, when prices are rising, costs themselves go up. These days, various costing methods have been evolved for continuous check on various cost elements of projects, especially the manufacturing ones. The authorities also use these methods in a number of such projects. In quite a few projects, the cost benefit approach is adopted in which the social cost and social benefits of a project are estimated (including an imputed valuation of the intangible social costs and benefits) and then the worthwhileness of the project is decided. It must, however, be noted that the techniques of costing and cost benefit analysis are not applied to all the items of public expenditure. And there are certain expenditures which are contractual. The authorities are under obligation to incur them (such as interest on public loans) and the question of economy in their use just does not arise. 2.Canon of Sanction: This canon asserts that no public funds should be used without proper authorization and further that funds must be used only

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 130 Material

for the purpose for which they have been sanctioned. In a democratic set up, it is the legislature which sanctions the expenditure on demand by the executive authorities. The idea is that such a restriction would avoid unscrupulous and unwanted expenditure and will also be a check against misappropriation of funds. Given the authority by the legislature, detailed authorizations are worked out and at each stage the spending unit has to have the sanction and approval of the appropriate authorities. Since, however, there can always be emergencies and delays in getting the sanction of the legislature for additional funds, a certain flexibility is granted in a number of cases up to a margin.

3. Canon of Benefit : This is clearly related to the canon of economy. Actually economy of expenditure is a relative term and not an absolute one. Any expenditure is to be viewed against the benefits that will accrue from it. Canon of benefit also says that the public expenditure should be incurred only if it is beneficial to the society. Now the beneficial nature of public expenditure can manifest itself also in the form of various effects on income and wealth distribution, effects on production, and so on. In the final analysis, this canon leads the authorities to observe the principle of maximum social advantage. The additional consideration here would be that it may be possible to reallocate the same public expenditure between different items in a manner which increases social benefit. The authorities should, therefore, try to choose that combination of items for public expenditure which collectively maximize the social benefit.

4. Canon of Surplus: This canon should actually be interpreted to mean that the government should avoid deficit budgeting, at least a persistent one. It should always try to be prudent and should aim at meeting its current expenditure needs out of its current revenue. It should not overspend and run into a debt. Since it may not be possible to avoid some deficits, it would be better if the general effort is directed at achieving a moderate surplus. Such moderate surpluses during some years will take care of reasonable but unavoidable deficits during other years. If on account of war, etc., a large deficit has to be incurred, then the government should try to pay off its debts as soon as possible. This canon, however, no longer finds favour with the fiscal authorities or with economists in general. This canon was an offshoot of the laissez faire philosophy. These days, however, the regulatory role of the government is recognized in an increasing measure and therefore the choice of a surplus or a deficit budget is left to be decided on the merits of the case. Thus during depression in a developed country, the government would do well to run into a deficit to stimulate demand and production. Objectives of stabilization and economic growth may necessitate

NOTES Self-Instructional Material 131 Collection, Custody and Disbursement of Public Funds

even recurring deficits. Resource mobilization efforts in an underdeveloped country often necessitate deficit financing. It is a concealed taxation through which the government appropriates additional resources of the economy which can be used for capital formation. In the growth process, the barter sector of an underdeveloped economy gets increasingly monetized while the economy itself grows in complexities. In order to help and sustain this process, the financial and credit structure of the economy must also develop along healthy and efficient lines. To this end, deficit financing through resultant increase in money supply and public debt, provides the necessary credit base. In recent years, some academicians have added to the canons of expenditure. A brief description of these canons is as follows:

1. Canon of Maximum Social Benefit : Ideally, each component of public expenditure should aim at maximizing aggregate social benefit, that is, satisfying one fundamental principle of Maximum Social Advantage. In practice, application of this criterion poses several difficulties including the identification and quantification of the expected benefit, the efficiency with which public expenditure is incurred, the alternative ways in which it could be spent, the conflicting interests of different social groups, and so on. In general, a good deal of subjectivity (discretion) is involved in deciding the best way of spending public money.

2. Canon of Elasticity : This means that there should not be any rigidity in spending public funds. It should be possible to bring about necessary changes in it in response to changing circumstances and situation. This objective, however, comes in conflict with the fact that there has to be an overall and tight control over each piece of public expenditure and functionaries of the government cannot be given complete discretionary powers to use public funds as per their personal judgement and preference.

3. Canon of Balanced Budget : This principle does not command universal acceptability. In a way, it says that the government should allow the market forces to work without intervention. In contrast, some thinkers recommend that the government should take active part in modifying the working of demand and supply forces and thereby aim at facilitating the achievement of some of the socio-economic objectives like accelerating economic growth, improving income and wealth distribution, stimulating employment, helping some specific economic sectors, and so on. To this end, therefore, if the government requires a surplus or a deficit budget, it should proceed with it. However, it is also recognized that persistent high surplus or high deficit budgets go against the objectives for which they are adopted. It should be remembered that even a balanced budget is not neutral and can interfere in the working of market forces because of (i) the size and manner of collecting revenue and (ii) the size and manner of public expenditure.

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 132 Material 4.

Canon of Optimizing Production and Distribution . It is claimed that public expenditure must work out a proper control on both production and distribution of income and wealth in the society. It is noteworthy that several of the canons of public expenditure conflict with each other. The starting point for formulating these canons is to decide whether the government should pursue a policy of total non-intervention and let the ill-effects of 'market failures' go unchecked, or whether it should adopt a specific set of objectives of public expenditure. Even in the latter case, it is not necessary that the public expenditure policy should always aim at a balanced, a surplus or a deficit budget and the size and composition of this imbalance. Every government would therefore, take decisions in the context of various detailed objectives, legal provisions, and its own capacity. Check Your Progress 5.

State the basic premise of Wagner's Law of Increasing State Activities. 6. List any two additional factors that contribute to the tendency of increasing public expenditure. 7. What is the main thesis of the Wiseman-Peacock Hypothesis? 8. Why has accounting classification been used for centuries? 9. What is transfer expenditure? 12.4 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1. Capital receipts cover those items which are basically of non-repetitive and non-routine variety and change government's financial liabilities/assets. 2. A corporation is deemed to be resident in India if it is incorporated in India or if its control and management is situated entirely in India. 3.

VAT in India classified under the tax slabs were 0% for essential commodities, 1% on gold ingots and expensive stones, 4% on industrial inputs, capital merchandise and commodities of mass consumption, and 12.5% on other items. 4.

STT is a tax, which is levied on all transactions done on the stock exchanges. It is applicable on purchase or sale of equity shares, derivatives, equity-oriented funds and equity-oriented mutual funds. 5.

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According to Wagner, there are inherent tendencies for the activities of different layers of a government (such as central and state governments) to increase both intensively and extensively. There is a functional relationship

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there are inherent tendencies for the activities of different layers of

NOTES Self-Instructional Material 133 Collection, Custody and Disbursement of Public Funds

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between the growth of an economy and government activities with the result that the governmental sector grows faster than the economy. 6.

Two factors that contribute to the tendency of increasing public expenditure are:(i)

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Most countries have registered increasing urbanisation. Existing cities grow and new ones come up. Urbanisation implies a much larger per capita expenditure on civic amenities. It necessitates a much larger supply of incidental services like those connected with traffic, roads, and so. (ii) Prices have a secular tendency to go up. This also adds to public expenditure even if the scale of state services remains unchanged. 7. The

main thesis of the Wiseman-Peacock Hypothesis

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is that public expenditure does not increase in a smooth and continuous manner, but in jerks or step like fashion. At times some social or other disturbance takes place, creating a need for increased public expenditure which the existing public revenue cannot meet. 8.

Accounting classification has been there for centuries because it enables the State executive to maintain an effective control and check over public expenditure and possible leakages and wastage, diversions and misappropriations. 9.

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transfer expenditure is a payment without corresponding receipt of goods and services by the State. Examples are interest payments, old age pensions and unemployment benefits. In these cases, the government is simply transferring the right or claim to use the goods and services to certain sections of the society. 12.5

SUMMARY ?

It is a normal practice with a government to divide its receipts into "revenue" and "capital" categories. Broadly speaking, revenue receipts include "routine" and "earned" ones.

Capital receipts, on the other hand, cover those items which are basically of non-repetitive and non-routine variety and change government's financial liabilities/assets. ?

Taxes on income and expenditure cover all those taxes which are levied on receipts of income and expenditures such as corporation tax, income tax, expenditure tax, interest tax, and similar other taxes, if any, in force. ?

Property tax or 'house tax' is a local tax on buildings, along with appurtenant land, and imposed on owners. The tax power is vested in the states and it is delegated by law to the local bodies, specifying the valuation method, rate band, and collection procedures. ?If the Tariff Commission set up by law recommends that in order to protect the interests of Indian industry, the Central Government may levy protective anti-dumping duties at the rate recommended on specified goods.

Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 134 Material ?

VAT in India classified under the tax slabs are 0% for essential commodities, 1% on gold ingots and expensive stones, 4% on industrial inputs, capital merchandise and commodities of mass consumption, and 12.5% on other items. Variable rates (State-dependent) are applicable for petroleum products, tobacco, liquor, etc. ?

VAT

can be computed by using any of the three methods: (i) Subtraction method: The tax rate is applied to the difference between the value of output and the cost of input. (ii) The Addition method: The value added is computed by adding all the payments that is payable to the factors of production (viz., wages, salaries, interest payments etc). (iii) Tax credit method: This entails set-off of the tax paid on inputs from tax collected on sales. ?

Public

expenditure refers to

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the expenses which a government incurs for (i) its own maintenance, (ii) the society and the economy, and (iii) helping other countries. ?

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Wagner's Law was based upon historical facts. It did not reveal the inner compulsions under which a government has to increase its activities and public expenditure as time passes. It was applicable only to modern progressive governments which were interested in expanding public sector of the economy for its overall benefit. ?

Musgrave and

Musgrave emphasize a

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growing complementarity between public and private consumer and capital goods so that with an increase in per capita income, demand for public services also increases with a corresponding growth in public expenditure. ? There is

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a myth that the individuals can voluntarily get together to resolve market deficiencies without government intervention.

It

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is known as Coase Fallacy. The myth is explained by Fundamental Non Decentralizability Theorem expounded by B. Greenland and J. Stiglitz. ?

Buchanan and Tullock, in the

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context of US experience, have viewed Wagner's theory in terms of increasing discrepancy between growth of government expenditure and

government output and termed the phenomenon as "Wagner Squared" hypothesis. ?

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Each major disturbance leads to the government assuming a larger proportion of the total national economic activity. In other words, there is a concentration effect. It also refers to the apparent tendency for central government economic activity to grow faster than that of the state and local level governments. ?

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Both private units and public authorities try to maximize returns per unit of expenditure

and an element of flexibility, though it is generally more in the case of public expenditure.

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Both private economic units and public authorities take a collective view of the income, expenditure and the possibilities of adjustments in each.

NOTES Self-Instructional Material 135 Collection, Custody and Disbursement of Public Funds ?Under

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the laissez faire philosophy, the only productive public expenditures are those which are incurred to create and maintain social overheads. Expenditures on administration, defence, justice, law and order, and maintenance of the State are unproductive. ?

The productive power of the society can manifest itself in different forms. If through education, training, health, better living conditions, better labour relations, etc., the working population of the country can add to its productive power, the expenditure on such items should certainly be termed

productive. ?The

bias in favour of Plan expenditure and against Non-Plan expenditure has led to a situation in which essential Non-Plan expenditure like maintenance of assets is neglected. This has also led to a motivation for showing higher plan expenditure and higher plan sizes both at Central and State levels. ?

Canons of expenditure

reflect the philosophy of a judicious use of public funds with associated legal propriety. Some of these canons are in the nature of administrative safeguards while others are expected to help the economy and society in achieving their diverse objectives. ?

It

should be remembered that even a balanced budget is not neutral and can interfere in the working of market forces because of (i) the size and manner of collecting revenue and (ii) the size and manner of public expenditure. 12.6

KEY WORDS ?Capital receipts: These are receipts that create liabilities or reduce financial assets. They also refer to incoming cash flows. Capital receipts can be both non-debt and debt receipts. Loans from the general public, foreign governments and the Reserve Bank of India (RBI) form a crucial part of capital receipts. ?Non-tax revenue: It refers to government revenue not generated from taxes. For example, bond issues and profits state owned companies. ?Countervailing duties: These are duties that are imposed in order to counter the negative impact of import subsidies to protect domestic producers. 12.7 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions 1. List the twelve categories of public finance as identified by Dalton. 2. Write a short note on income tax. Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 136 Material 3. What is the difference between inheritance and estate tax? 4. Write a short note on Special Excise Duty and Surcharge. 5. List the three methods by which VAT can be computed. 6. Write a short note on the canon of balanced budget. Long-Answer Questions 1. Discuss the three sections of non-tax revenue. 2. Explain the duties levied under the custom laws. 3. Analyze the reasons for the long-term tendency of all governments to increase public expenditure. 4. Elaborate upon the Wiseman-Peacock Hypothesis. 5. Analyze the six tiers of the functional classification of public expenditure in India. 6. Discuss the four canons of expenditure. 12.8 FURTHER READINGS

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Collection, Custody and Disbursement of Public Funds NOTES Self-Instructional 136 Material 3. What is the difference between inheritance and estate tax? 4. Write a short note on Special Excise Duty and Surcharge. 5. List the three methods by which VAT can be computed. 6. Write a short note on the canon of balanced budget. Long-Answer Questions 1. Discuss the three sections of non-tax revenue. 2. Explain the duties levied under the custom laws. 3. Analyze the reasons for the long-term tendency of all governments to increase public expenditure. 4. Elaborate upon the Wiseman-Peacock Hypothesis. 5. Analyze the six tiers of the functional classification of public expenditure in India. 6. Discuss the four canons of expenditure. 12.8 FURTHER READINGS

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NOTES Self-Instructional Material 137 Accounting and Audit UNIT 13 ACCOUNTING AND AUDIT Structure 13.0 Introduction 13.1 Objectives 13.2 Meaning and Role 13.2.1 Separation of Accounts and Audit System 13.3 Answers to Check Your Progress Questions 13.4 Summary 13.5 Key Words 13.6 Self Assessment Questions and Exercises 13.7 Further Readings 13.0 INTRODUCTION

In this unit, we will discuss the accounting and auditing system. Accounting is a process of recording and tracking all the financial transactions that an organization undertakes. Auditing involves an examination and evaluation of the financial records created in the process of accounting. Accounting is an ongoing and continuous process whereas auditing is done periodically. This unit offers an understanding of the meaning, role and purpose of accounting as well as that of the structure of accounts and flow of funds. 13.1

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OBJECTIVES After going through this unit, you will be able to: ?Understand the meaning

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OBJECTIVES After going through this unit, you will be able to: ?Understand the meaning and role of

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OBJECTIVES After going through this unit, you will be able to: ?Understand the meaning and role of accounting and auditing ? Discuss the purpose of

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OBJECTIVES After going through this unit, you will be able to: ?Understand the meaning and role of

accounting in addition to the parts of government accounts 13.2 MEANING AND ROLE Finance is the most important aspect in the success of any organization. Same is the case with the economic system of a country. It is termed as life blood for all socio-economic activities. No welfare of society is possible without proper availability of finance. It is well known to all of us that all bigger financial frauds are results of inadequate and fraudulent accounting treatment of business transactions. Therefore proper maintenance of accounts is mandatory for a sound economic system. Accounting of Government transactions is more complicated and important because these funds belong to general public only. Therefore, a strong accounting Accounting and Audit NOTES Self-Instructional 138 Material system can ensure the proper and productive usage of public finance. Briefly it can be said that accounting is a process which helps to record all monetary transactions in a systematic order. Auditing is the next step of accounting procedures. It involves the proper verification of books, records, procedures, and examination of other documents of any organization or government explaining the financial position of the organization or government. Generally, accounting is considered as an executive function and Audit is a quasi-judicial in its character. In India, Comptroller and Auditor General (CAG) plays a very prominent role is looking at the accounts of the Government. Before discussing in detail regarding CAG, a brief discussion about accounting has been carried out in the following sections. Understanding the Conceptual Meaning of Accounting One of the most popular definitions of accounting is: 'It is an art and science of recording, classifying and summarizing transactions, wholly or in part of a financial nature in terms of money and interpreting results thereof.' According to L.D. White, American Historian specialized in Public Administration: '

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The primary functions of systematic accounts are to make financial record, to protect those handling funds, to reveal the financial conditions of the organization in all branches, to facilitate necessary adjustments in

The primary functions of systematic accounts are to make financial record, to protect those handling funds, to reveal the financial conditions of the organization in all branches, to facilitate necessary adjustments in

The primary functions of systematic accounts are to make financial record, to protect those handling funds, to reveal the financial conditions of the organization in all branches, to facilitate necessary adjustments in

the rates

of expenditure to give information to those in responsible position on the basis of which plans for future financial and operating programmes can rest and to aid in making of audit.'

of expenditure to give information to those in responsible position on the basis of which plans for future financial and operating programmes can rest and to aid in making of audit.'

of expenditure to give information to those in responsible position on the basis of which plans for future financial and operating programmes can rest and to aid in making of audit.'

The true accounting records ensure the fair usage of funds of the investors and various receipts and evidences kept in record justify that every transaction is done in the desired manner only. Purpose of Accounting The purposes of accounting are as follows: ?To record all transactions of the business which can be expressed in terms of money ?Classification of various financial transactions under different heads ?Summarizing the results in a compact form ?Interpreting the results obtained in summarized report These are the basic functions of accounting. In addition to this, maintaining proper accounts in a business serves the following purposes: ?It describes the profitability position of the company. ?The major areas of sources of income and expenditure can be identified easily with the help of properly maintained accounts. ?There can be a better control on the financial transactions.

NOTES Self-Instructional Material 139 Accounting and Audit ?In case of losses, these can be controlled in due course of time. ?It helps the managers to take all strategic decisions related to finance. In case of Government, a good accounting system fulfills the following purposes: ?It ensures the accountability of the government as Accounts give proper record of all sources of revenues and expenditures by the Government. ?It helps in formulation of various policies by the government. ?The Accounts explain the strength of an economy. Structure of Accounts and Flow of Funds The accounts of Government are kept in three parts: ? Consolidated Funds of India ?Contingency Funds of India ?Public Account 1. Consolidated Funds of India All revenues received by the Government through taxes like Income Tax, Central Excise, Customs and other receipts flowing to the Government in connection with the conduct of Government business i.e. Non-Tax Revenues are credited into the Consolidated Fund constituted under Article 266 (1) of the Constitution of India. Similarly, all loans raised by the Government by issue of Public notifications, treasury bills (internal debt) and loans obtained from foreign governments and international institutions (external debt) are credited into this fund. All expenditure of the government is incurred from this fund and no amount can be withdrawn from the Fund without authorization from the Parliament. 2. Contingency Funds of India The Contingency Fund of India records the transactions connected with Contingency Fund set by the Government of India under Article 267 of the Constitution of India. The corpus of this fund is 50 crore. Advances from the fund are made for the purposes of meeting unforeseen expenditure which are resumed to the Fund to the full extent as soon as Parliament authorizes additional expenditure. Thus, this fund acts more or less like an imprest account of Government of India and is held on behalf of President by the Secretary to the Government of India, Ministry of Finance, Department of Economic Affairs. 3.

Public Account In the Public Account constituted under Article 266 (2) of the Constitution, the transactions relate to debt other than those included in the Consolidated Fund of India.

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The transactions under Debts, Deposits and Advances in this part are those in respect of which Government incurs a liability to repay the money received or has a claim to recover the amounts paid.		

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The transactions under Debts, Deposits and Advances in this part are those in respect of which Government incurs a liability to repay the money received or has a claim to recover the amounts paid.		

The transactions related to RsRemittance' Accounting and Audit NOTES Self-Instructional 140 Material and RsSuspense' shall embrace all adjusting heads. The initial debits or credits to these heads will be cleared eventually by corresponding receipts or payments. The receipts under Public Account do not constitute normal receipts of Government.

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Parliamentary authorization for payments from the Public Account is therefore not required. 13.2.1		

100%	MATCHING BLOCK 444/536	W
Parliamentary authorization for payments from the Public Account is therefore not required. 13.2.1		

Seperation of Accounts and Audit System The system of combining accounts and auditing functions was introduced in India by the British and it has existed ever since. The argument given by the British for the introduction of this system was that it would help in the development of economy. It had several limitations and disadvantages, owing to which, it was criticized by every reform committee. It was only during the 1950's that the Public Accounts Committee proclaimed that the present system was based on faulty principles and should be discontinued. The committee was averse to the idea of continuing the system wherein the spending authorities were not taking the responsibility of maintaining proper accounts of all transactions, they depended instead, on an outside authority for the purpose. Subsequently, the principle of the separation of audit and accounts was adopted by the government in 1955. It was

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The Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971		

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The Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971		

that envisaged separating accounts from audit.

The process of departmentalization was adopted in 1975 where the process was to be carried out in a phased out manner. The same was completed in October 1976 for all central ministries and departments. The CAG was relieved of his responsibility to maintain the Central Government accounts and the personnel were, accordingly, transferred in 1978. Check Your Progress 1. What does auditing involve? 2. What purpose do advances made from the contingency fund serve? 13.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS 1. Auditing involves the proper verification of books, records, procedures, and examination of other documents of any organization or government explaining the financial position of the organization or government. 2. Advances from the contingency fund are made for the purposes of meeting unforeseen expenditure which are resumed to the Fund to the full extent as soon as Parliament authorizes additional expenditure.

NOTES Self-Instructional Material 141 Accounting and Audit 13.4 SUMMARY ?No welfare of society is possible without proper availability of finance. It is well known to all of us that all bigger financial frauds are results of inadequate and fraudulent accounting treatment of business transactions. Therefore, proper maintenance of accounts is mandatory for a sound economic system. ?In India, Comptroller and Auditor General (CAG) plays a very prominent role is looking at the accounts of the Government. ?The true accounting records ensure the fair usage of funds of the investors and various receipts and evidences kept in record justify that every transaction is done in the desired manner only. ?In case of Government, a good accounting system fulfils the following purposes: (i) It ensures the accountability of the government as Accounts give proper record of all sources of revenues and expenditures by the Government. (ii)It helps in formulation of various policies by the government. (iii) The Accounts explain the strength of an economy. ? All revenues received by the Government through

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taxes like Income Tax, Central Excise, Customs and other receipts flowing to the Government in connection with the conduct of Government business i.e. Non-Tax Revenues are credited into the Consolidated Fund constituted under Article 266 (1) of the Constitution of India. ?

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taxes like Income Tax, Central Excise, Customs and other receipts flowing to the Government in connection with the conduct of Government business i.e. Non-Tax Revenues are credited into the Consolidated Fund constituted under Article 266 (1) of the Constitution of India. ?

In the Public Account constituted under Article 266 (2) of the Constitution, the transactions relate to debt other than those included in the Consolidated Fund of India. ?In India, the system of combining accounts and audit functions existed since the time of British colonial rule. During the early fifties various pronouncements were made by the Public Accounts Committee to the effect that the existing system was fundamentally wrong in principles, and recommended that the CAG should be relieved of his accounting responsibilities. ?In June 1975, the Government of India approved a scheme of departmentalization of accounts in a phased manner in all the Central Ministries and Departments. It was completed by October 1976. 13.5 KEY WORDS ?Auditing: It involves the proper verification of books, records, procedures, and examination of other documents of any organization or government explaining the financial position of the organization or government. ?Accounting: It is an art and science of recording, classifying and summarizing transactions, wholly or in part of a financial nature in terms of money and interpreting results thereof.

Accounting and Audit

NOTES Self-Instructional 142 Material 13.6 SELF ASSESSMENT QUESTIONS AND EXERCISES Short-Answer Questions 1.

List the purposes of accounting. 2. Which revenues and loans are credited to the Consolidated Funds of India? Long-Answer

Questions 1. Analyze the purposes that maintaining proper accounts in a business serve. 2. Discuss the process of separation of accounts and audit. 13.7 FURTHER READINGS

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Comptroller and Auditor General of India UNIT 14 COMPTROLLER AND AUDITOR GENERAL OF INDIA

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Comptroller and Auditor General of India UNIT 14 COMPTROLLER AND AUDITOR GENERAL OF INDIA

Structure 14.0 Introduction 14.1 Objectives 14.2 Role and Functions of Comptroller General of Accounts 14.3 Answers to Check Your Progress Questions 14.4 Summary 14.5 Key Words 14.6 Self Assessment Questions and Exercises 14.7 Further Readings 14.0 INTRODUCTION

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The Comptroller and Auditor General of India is an authority entrusted with the power of

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The Comptroller and Auditor General of India is an authority entrusted with the power of

auditing the expenditure drawn from the Consolidated Fund of India both for central and state governments. Moreover, The CAG audits the trading, profit and loss accounts, balance sheets and manufacturing accounts of government offices and departments. Article 148 provides for an independent office of the CAG and he is aided in the execution of his functions and duties by the Indian Audit and Accounts Service. An overview of the functions, powers and responsibilities of the CAG has been provided in

this unit. 14.1

OBJECTIVES After going through this unit, you will be able to: ?Understand the role of

the

Comptroller General of

Accounts ?Analyze the role, scope and extent of CAG audit ?Discuss the guiding principles of General Auditing Standards 14.2 ROLE AND FUNCTIONS

OF COMPTROLLER GENERAL OF ACCOUNTS

The Comptroller and Auditor General of India is an authority and his/her appointment is determined by the Constitution of India.

The following Articles of the Indian Constitution give the guidelines regarding the CAG:

Comptroller and Auditor General of India NOTES Self-Instructional 144 Material ?

There shall be a Comptroller and Auditor-General of India who shall be appointed by the President by warrant under his hand and seal,

and shall only

be removed from office

in like manner and on like grounds as

a Judge of the

Supreme Court. ?

Every person appointed to be the Comptroller and Auditor-General of India shall, before he enters upon his office, make and subscribe

before the President or some person appointed in that behalf by him,

an oath or affirmation according to the form set out for the

purpose in the Third Schedule. ?

The salary

and other conditions of service of the Comptroller and Auditor- General

shall be

such as may be determined by Parliament by law and, until they are so determined, shall be as specified in the Second Schedule:

Provided that neither the salary of a Comptroller and Auditor-General

nor his rights in respect of leave of absence, pension or age of retirement shall be varied to his disadvantage after his appointment. ?

The Comptroller and Auditor-General

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shall not be eligible for further office either under the Government of India or under the Government of any State after he has ceased to hold his office. ?

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shall not be eligible for further office either under the Government of India or under the Government of any State after he has ceased to hold his office. ?

Subject to the provisions of this Constitution and of any law made by parliament, the conditions of service of persons serving in the Indian Audit and Accounts Department and the administrative powers of the Comptroller and Auditor-General shall be such as may be prescribed by rules made by the President after consultation with the Comptroller and Auditor-General. ?
The administrative expenses of the office of the Comptroller and Auditor- General including all salaries, allowances and pensions payable to or in respect of persons serving in that office, shall be charged upon the Consolidated Fund of India.
Duties and Powers of the Comptroller and Auditor-General (Article 149)
The Comptroller and Auditor-General

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shall perform such duties and exercise such powers in relation to the accounts of the Union and of the States and of any other authority or body as may be prescribed by or under any law made by Parliament

and, until provision in that behalf is so made,

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shall perform such duties and exercise such powers in relation to the accounts of the Union and of the States as

were conferred on or exercisable by the Auditor-General of India immediately before the commencement of this Constitution in relation to the accounts of the Dominion of India and of the provinces respectively.

NOTES Self-Instructional Material 145
Comptroller and Auditor General of India
Form of Accounts

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of the Union and of the States (Article 150) The accounts of the Union and of the States shall be kept in such form as the President may, on the advice of the Comptroller and Auditor-General of India, prescribe. Audit Reports (Article 151) 1. The reports of the Comptroller and Auditor-General of India relating to the accounts of the Union shall be submitted to the president, who shall cause them to be laid before each House of Parliament. 2. The reports of the Comptroller and Auditor-General of India relating to the accounts of a State shall be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State. '

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of the Union and of the States (Article 150) The accounts of the Union and of the States shall be kept in such form as the President may, on the advice of the Comptroller and Auditor-General of India, prescribe. Audit Reports (Article 151) 1. The reports of the Comptroller and Auditor-General of India relating to the accounts of the Union shall be submitted to the president, who shall cause them to be laid before each House of Parliament. 2. The reports of the Comptroller and Auditor-General of India relating to the accounts of a State shall be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State.'

CAG is not a munimji or an accountant or something like that... He is a constitutional authority who can examine the revenue allocation and matters relating to the economy. CAG is the principal auditor whose function is to go into the economy, effectiveness and efficiency of the use of resources by the government. If the CAG will not do, then who else will do it.' – Observation of a bench of Supreme Court of India while dismissing a petition challenging CAG reports on 2G spectrum, Coalgate, etc. (Source: "SC Rejects PIL Against CAG Examining Coal Allotment". Outlook India. 1 October 2012. Archived from the original on 1 October 2012. Retrieved 1 October 2012) Organization of the Indian Audit and Accounts Department The Comptroller and Auditor General of India discharges his multifarious duties through the Indian Audit and Accounts Department. The Department consists of about fifty thousand employees and is functionally organized into 133 specialized formations throughout the country. At the apex of the Indian Audit and Accounts Department is the office of the Comptroller and Auditor General which directs, monitors and controls all activities connected with audit, accounts and entitlement functions of the Department. It is responsible for development of organizational objectives and policies, audit standards and systems, management of the manpower and material resources of the Department and final processing and approval of the Audit Reports. For carrying out these responsibilities, it has been organized on a sectoral basis and there are separate divisions dealing with Accounts and Entitlements, Civil Audit, Railway Audit, Commercial Audit, Revenue Audit, administration of Cadres, Training, Comptroller and Auditor General of India NOTES Self-Instructional 146 Material Strategic Management, Professional Practices Inspection of field offices, IS and IT, etc. These divisions are headed by the Deputy / Additional Deputy Comptroller and Auditor General and Principal Directors. Fig. 14.1 Responsibilities

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of the Comptroller and Auditor General of India Offices of the Accountants General (

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of the Comptroller and Auditor General of India Offices of the Accountants General (

Audit) are responsible for audit of all receipts and expenditure of the Provincial Governments, and audit of Provincial Government companies, corporations and autonomous bodies. Offices of the Principal Directors of Audit are responsible for audit of the activities of the Federal Government, including Civil Ministries and Departments, Overseas Establishments, Defence, Indian Railways, Federal Public Undertakings and Posts and Telecommunications. Offices of the Accountants General (Accounts and Entitlements) handle the Accounting and Entitlement functions of the Provincial Governments. The audit activities are divided into convenient groups headed by Deputy Accountants General/Senior Deputy Accountants, General who report to the Accountant General. These officers are designated as Deputy Directors / Directors under the control of Principal Directors of Audit, in respect of Audit of Federal Government activities. The initial work of auditing (as well as accounting and entitlement functions still remaining with the Comptroller & Auditor General) is done in the various field formations of the organization by auditors, clerks and accountants under the guidance and supervision of Assistant Audit Officers and Assistant Accounts Officers, who are in turn supervised by Accounts Officers or Audit Officers. Audit parties supervised by Audit Officers inspect the departmental offices and other organizations periodically and present inspection reports on their findings.

NOTES Self-Instructional Material 147 Comptroller and Auditor General of India To enhance audit skills and update domain knowledge of the officials, the training facilities of the department comprise of national level and regional level institutes. These include National Academy of Audit and Accounts, International Centre for Information Systems and Audit and newly set up International Centre for Environment Audit and Sustainable Development. Types of CAG Audit While it may seem that the CAG conducts a wide range of audits, they can be broadly classified into three types – a transaction audit, a performance audit and a financial audit. Two different types of entities (government departments and autonomous bodies/government companies) – are audited, each at the central and state levels (See figure below). Types of CAG Audit Financial Audit Regularity (Compliance)/ Transaction Certification Audit of government departments Audit of govt. cos./ autonomous bodies Performance Audit Has the govt. programme/ institution in question achieved its intended objectives efficiency and with the least possible cost? Were acceptable accounting standards used to report financial transactions and value assets and liabilities? Were all transactions authorised and approved? Were all rules complied with in spending funds/raising revenues Central Reports: State Reports: Organised into Civil, Defence, Railways and Revenues Organised into Civil and Revenues. Performance and Compliance reports are often combined. Financial audits of autonomous bodies/govt. companies are conducted according to the provisions of individual acts/Companies Act (commercial audit). Separate reports are issued for companies and autonomous bodies and for central and state institutions. Fig. 14.2 Types of CAG Audits Comptroller and Auditor General of India NOTES Self-Instructional 148 Material Regulation for the Audits and Accounts The following have been given the brief guidelines regarding Audit and Accounts under 'Regulations on Audit and Accounts, 2007'. For details, readers can visit the official website of Comptroller and Auditor General of India. Short title, application and commencement 1. These Regulations may be called the 'Regulations on Audit and Accounts, 2007'. 2. These Regulations shall apply to the officers and staff of the Indian Audit and Accounts Department and all ministries and departments of the Union Government, State Governments and Union Territory Governments as well as bodies, authorities and enterprises, to which the audit or accounts jurisdictions of the Comptroller and Auditor General of India extend. 3. These Regulations shall come into force with effect from the date of their publication in the official gazette. Definitions ?Accountant General (Accounts and Entitlement)

means

the head of the department of an accounts

office of the Comptroller and Auditor General of India

by whatever designation called. ?

Accountant General (Audit) means the head of the department of an audit office of the Comptroller and Auditor General of India

by whatever designation called. ?Accounts Office means an office

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of the Comptroller and Auditor General of India responsible for compilation of accounts from the initial and subsidiary accounts rendered by the treasuries, offices or departments responsible for keeping

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of the Comptroller and Auditor General of India responsible for compilation of accounts from the initial and subsidiary accounts rendered by the treasuries, offices or departments responsible for keeping

of such accounts

and for entitlement work in relation to

Government employees and other categories of employees. ?Accounts Officer means an officer, irrespective of designation,

authorized by the Comptroller and Auditor General of India by a general or special order for accounts or entitlement or related work. ?

Audit means examination of accounts, transactions and records in performance of duties and exercises of powers

of the Comptroller and Auditor General as prescribed in the Constitution of India

and the Act and includes performance audit or any other type of audit determined by the Comptroller and Auditor General of India.

When used as a noun, it refers to Audit Department as a whole or any part thereof as per context.

NOTES Self-Instructional Material 149

50%

MATCHING BLOCK 468/536

W

Comptroller and Auditor General of India ?Audit Board means the Audit Board constituted by the Comptroller and Auditor General of India

for performance audits of Central Public Sector Undertakings. ?Audit department or Audit institution

67%

MATCHING BLOCK 469/536

W

means the offices of the Indian Audit and Accounts Department under the Comptroller and Auditor General of India

responsible for audit under the Constitution of India and the Act. ?Auditable entity means an office, authority, body, company, corporation or any other entity subject to audit

by
the Comptroller and Auditor General of India. ?Audit mandate means the authority of the Comptroller and Auditor General of India
for audit under the
Constitution of
India and the Act and includes audit entrusted by the Government under the Act. ?Audit memorandum means a memorandum or letter issued during the course of audit for eliciting information, confirmation of facts or any other matter considered necessary by the audit officer in conduct of audit. ?Audit note means a note issued by an audit office containing the results of audit conducted with reference to data, information or documents available in an audit or accounts office. ?Audit office means an office of the Comptroller and Auditor General of India responsible for audit. ?Audit officer or auditor means an officer, by whatever designation called, authorized by the Comptroller and Auditor General of India by a general or a special order to conduct audit. ?Audit report

39%

MATCHING BLOCK 470/536

W

of the Comptroller and Auditor General means a report of the Comptroller and Auditor General of India under Article 151 of the Constitution of India or under Section 19A of the

Act or under Section 49 of the Union Territories Act, 1963. ?Audit Review Committee means the committee constituted by an Accountant General (Audit) for finalization of performance audits of State Public Sector Enterprises. ?Auditing Standards means the auditing standards issued
by the Comptroller and Auditor General of India unless the context otherwise requires. ?
Comptroller and Auditor General
or the CAG

100%

MATCHING BLOCK 472/536

W

means the Comptroller and Auditor General of India appointed under Article 148 of the Constitution

of India.
Comptroller and Auditor General of India
NOTES Self-Instructional 150 Material ?Entitlement for the purpose of these Regulations means functions relating to pay, provident fund or pension and related work

26%

MATCHING BLOCK 473/536

W

which the Comptroller and Auditor General is to perform under Article 149 of the Constitution of India and the Act. ?Government means the Union Government, the Government of a State and/or Government of the Union Territory as the context may

require. ?Government company means a Government company as defined under Section 617 of the Companies Act, 1956 (Act No.1 of 1956). ?Deemed government company for the purpose of these Regulations means a company covered under Section 619B of the Companies Act, 1956. ?Guidelines are the guidelines issued by the Comptroller and Auditor General for carrying out the mandate. These are generally on professional matters especially on emerging and important areas of audit or accounts. The guidelines are to be consistent with these Regulations and are to be followed by the audit officers and the accounts officers. ?Inspecting officer means an officer in charge of an audit team deputed for audit. ?Inspection report means a report issued by an audit office containing the results of an audit. ?Local fund auditor means an auditor, by whatever designation called, generally appointed by a State Government for audit of accounts of panchayati raj institutions and/or urban local bodies. ?Major irregularity means (a) an instance of suspected material fraud or corruption coming to the notice in audit, or (b) an irregularity of serious nature involving public funds, particularly that relating to mismanagement, loss, waste, nugatory expenditure or loss of revenue, exceeding the monetary limit prescribed by the Comptroller and Auditor General in this regard. ?Mandate of the Comptroller and Auditor General means the authority vested in him in regard to accounts and audit under the Constitution of India and the Act. ?Practice notes are the detailed instructions on audit or on accounting matters. These need to be consistent with the Regulations, standing orders and guidelines issued by the Comptroller and Auditor General. ?Separate audit report means an audit report containing audit observations on the accounts of an authority, body or corporation whether or not required to be laid before the legislature.

NOTES Self-Instructional Material 151

Comptroller and Auditor General of India ?Standing orders of the Comptroller and Auditor General
are the orders, including orders on administrative matters, of permanent nature issued in fulfillment of the mandate. These are to be consistent with these Regulations and are to be followed by the accounts officers and the audit officers. ?Statutory auditor means an auditor or an auditing firm appointed under the Companies Act, 1956 for the audit of accounts of a Government company or a deemed Government
company. ?The Act means

96%

MATCHING BLOCK 474/536

W

the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 (Act No. 56 of 1971).

All other expressions used in these Regulations but not defined herein shall have the meaning respectively assigned to them in the Constitution or in the Act. Role of the CAG in regard to audit The Comptroller and Auditor General is the sole authority prescribed in the Constitution entrusted with the responsibility of audit of

43%

MATCHING BLOCK 475/536

W

accounts of the Union and of the States. It is the duty of the Comptroller and Auditor General to audit receipts and expenditure of the Union and each State and the Union Territory

Governments. The audit reports of the Comptroller and Auditor General are placed before Parliament or

68%

MATCHING BLOCK 476/536

W

the legislature of the State or the Union Territory, as the case may be. The duties of the Comptroller and Auditor General

also extend to audit of Government companies and corporations and bodies and authorities in accordance with the laws made by the legislature and rules made. Broad Objectives of Audit The broad objectives of audit are to ensure legality, regularity, economy, efficiency and effectiveness of financial management and public administration mainly through assessment as to: ?Whether the financial statements are properly prepared, are complete in all respects and are presented with adequate disclosures (financial audit). ? Whether the provisions of the Constitution, the applicable laws, rules and regulations made there under and various orders and instructions issued by competent authority are being complied with (compliance audit). ?The extent to which an activity, programme or organization operates economically, efficiently and effectively (performance audit). Authority of the CAG in regard to audit Under Section 18 read with Section 2(e) of the Act,

72%

MATCHING BLOCK 477/536

W

the Comptroller and Auditor General has the authority: a) To inspect any office of accounts under the control of the Union or of a State

84%

MATCHING BLOCK 478/536

W

or of a Union Territory having a legislative assembly; Comptroller and Auditor General

of India NOTES Self-Instructional 152 Material

100%

MATCHING BLOCK 481/536

W

b) To require that any accounts, books, papers and other documents which deal with or form the basis of or are otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may appoint for his inspection;

100%

MATCHING BLOCK 479/536

W

accounts, books, papers and other documents which deal with or form the basis of or are otherwise relevant to

100%

MATCHING BLOCK 480/536

W

accounts, books, papers and other documents which deal with or form the basis of or are otherwise relevant to

and

c) To put such questions or make such observations as he may consider necessary, to the person in charge of the office and to call for such information as he may require for the preparation of any account or report which it is his duty to prepare. The person in charge of any office or department, the accounts of which have to be inspected and audited by the Comptroller and Auditor General, shall afford all facilities for such inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition.

Scope and Extent of Audit Let us discuss the scope and extent of CAG audits. Authority for determination of scope and extent of audit Under Section 23 of the Act, the scope and extent of audit shall be determined by the Comptroller and Auditor General. Scope of Audit ?Within the audit mandate, the Comptroller and Auditor General is the sole authority to decide the scope and extent of audit to be conducted by him or on his behalf. Such authority is not limited by any considerations other than ensuring that the objectives of audit are achieved. ?In the exercise of the mandate, the Comptroller and Auditor General undertakes audits which are broadly categorized as financial audit, compliance audit and performance audit, as elucidated in Chapter 5, 6 and 7 respectively. ?The scope of audit includes the assessment of internal controls in the auditable entities. Such an assessment may be undertaken either as an integral component of an audit or as a distinct audit assignment. ?The Comptroller and Auditor General may, in addition, decide to undertake any other audit of a transaction, programme or organization in order to fulfill the mandate and to achieve the objectives of audit. Extent of audit Extent of audit means the quantum of audit including the period, the units of the auditable entity, the extent of test check and the boundaries of audit enquiry to be covered in an audit.

NOTES Self-Instructional Material 153 Comptroller and Auditor General of India Request for special audit 1. The Comptroller and Auditor General or any officer so authorized shall give due consideration to a request for special audit of a programme, project or organization within the audit jurisdiction provided that every such request: ?is made with the approval of the Secretary to Government of the concerned department; ?shall state the justification and reasons that necessitate a special audit, including the results of any preliminary inquiry, investigation or study that may have already been conducted; and ?specify the period to be covered in the special audit. 2. The decision of the Comptroller and Auditor General or any officer so authorized in regard to the special audit shall be final. **Reporting the results of special audit** The Accountant General (Audit) shall report the results of the special audit to the Secretary to Government of the concerned department and in case of a State or a Union Territory with legislative assembly, also report these results to Secretary to Government, Finance Department. The Comptroller and Auditor General reserve the right to communicate the results of any special audit to the Ministry of Finance, Government of India and to include them in the audit report. **Guiding Principles of Auditing Standards Definition** Auditing standards prescribe the norms which the auditors are expected to follow in conduct of audit. These provide guidance to the auditor to help determine the auditing steps and procedures that should be applied in audit and constitute the criteria or the yardstick against which quality of audit results is evaluated. **Relevance and application** ?Auditing standards provide the framework for performing high quality audit. Compliance with these standards is expected to ensure that a high quality of audit is performed for achieving the audit objectives. ?Auditing standards shall apply both to the individual auditor and the audit department. ?All audits on behalf of the Comptroller and Auditor General are required to be conducted as per the auditing standards. In other words, auditing

Comptroller and Auditor General of India NOTES Self-Instructional 154 Material standards shall apply to all types of audit including financial audit, compliance audit and performance audit. ?Auditing standards shall be consistent with the guiding principles of auditing standards. **Consideration of international auditing standards while prescribing auditing standards** The international auditing standards may be considered and suitably adapted keeping in view the Constitution of India, the Act, other relevant statutes, extant rules and these Regulations while prescribing the auditing standards of the Comptroller and Auditor General. **Scope of auditing standards** The auditing standards shall inter alia include the following: ?Basic postulates ?General standards ?Field standards ?Reporting standards 1. **Basic Postulates** The basic postulates for auditing standards are the basic premises and requirements which help in developing auditing standards and guide the auditors in forming their opinions and reports, particularly in cases where no specific standards apply. **Framework of basic postulates** The basic postulates for auditing standards shall inter alia include the following: ?The auditing standards shall be complied with by the auditors in all matters that are deemed material. ?The auditors shall apply their own judgement to the diverse situations that arise in the course of audit. ?There shall be an effective accountability process in operation. ?The Government shall be responsible for establishment, development and enforcement of adequate information, control, evaluation and reporting systems within the Government to facilitate the accountability process. ?Appropriate authorities in Government shall ensure the promulgation of acceptable accounting standards for financial reporting and disclosure that are relevant to the needs of the Government and that result in true and fair presentation of financial position and results of operations.

NOTES Self-Instructional Material 155 Comptroller and Auditor General of India ?The Government shall establish an adequate system of internal control to minimize the risk of errors and irregularities. ?The Government shall ensure cooperation of auditable entities in providing access to all relevant data, information and documents necessary for audit. ?All audit activities shall be consistent with the audit mandate of the Comptroller and Auditor General. ?Audit shall avoid conflict of interest between the auditor and the auditable entity. 2. General Standards The general standards describe the qualifications of the auditor and the audit institution, the compliance of which enables them to carry out the tasks related to conduct of audit and reporting of audit findings in a competent and effective manner. These standards establish a foundation for credibility of work of the auditor and the audit institution. Framework of general standards The general standards shall inter alia include: ?Independence: The auditor and the audit institution should be independent in all matters relating to audit work so that their opinions and reports are impartial. ?Professional competence: The auditor and the audit institution should possess adequate professional competence for performance of work. The audit institution should assess skill, needs to consider whether its workforce has the essential skills that match those necessary to fulfill the audit mandate. Accordingly, the audit institution should have a process for recruitment, hiring, continuous development, assignment and evaluation of personnel to maintain a competent workforce. ?Due care: The auditors should exercise due care and caution in complying with auditing standards particularly in planning audits, specifying, gathering and evaluating evidence and in reporting findings, conclusions and recommendations. ?Professional judgement: The auditors should use professional judgement in all aspects of carrying out their professional responsibilities. Professional judgement represents the application of the collective knowledge, skills and experience of all personnel involved with an assignment as well as the professional judgement of the individual auditors. In addition to personnel directly involved in the audit, professional judgement may involve

Comptroller and Auditor General of India NOTES Self-Instructional 156 Material collaboration with other stakeholders, outside experts and the management in the audit institution. ?Quality control: The audit institution should establish a system of quality control that is designed to provide reasonable assurance that the institution and its personnel comply with standards. The system of quality control encompasses the audit institution's emphasis on performing high quality work, and the organization's policies and procedures designed to provide reasonable assurance of complying with standards. The audit institution should document its quality control policies and procedures and communicate them to its personnel. 3. Field Standards The field standards provide an overall framework for conducting and managing an audit. Separate field standards may be formulated for financial audit, compliance audit and performance audit. Relationship with general standards and reporting standards The field standards are related to the general standards which set out the basic requirements for undertaking the tasks covered by the field standards. They are also related to the reporting standards which cover the communication aspect of auditing, as the results from carrying out the field standards constitute the main source for the contents of the audit findings, opinions or reports. Framework of field standards The field standards shall inter alia include: ?Planning:

The auditor should plan audit in a manner which ensures that an audit of high quality is carried out in an economic, efficient and effective way and in a timely manner. ?

Supervision and review: The work of audit staff at each level and audit phase should be properly supervised during audit and a senior member of the audit staff should review documented work. ?Examination and evaluation of internal control: The auditor, in determining the extent and scope of audit, should examine and evaluate the reliability of internal control. Auditors should obtain a sufficient understanding of internal control to plan the audit and determine the nature, timing and extent of checks to be performed. ? Compliance with applicable laws, rules and regulations: The auditor shall verify compliance with applicable laws, rules and regulations and highlight deviations, if any.

NOTES Self-Instructional Material 157 Comptroller and Auditor General of India ?Audit evidence: Competent, relevant and reasonable evidence should be obtained to support the auditor's judgement as well as conclusions regarding the organization, programme, activity or function under audit. 4. Reporting Standards The reporting standards provide an overall framework for the auditor and the audit institution for reporting the results of audit. Application The reporting standards shall apply equally to all kinds of reports submitted by the Government auditors to the executive and the legislature, including inspection reports, audit reports and audit certificates on financial statements or statements of expenditure. Framework of reporting standards The reporting standards shall inter alia include the following: ?Reporting standards shall be meant to assist, and not to supersede, prudent judgement of the auditor in framing and reporting audit findings, conclusions and recommendations. ?The reports should be complete, accurate, objective, convincing, clear, concise, constructive and timely. ?The form and content of all audit opinions and reports need to be consistent with the principles laid down in regard to (a) objectives and scope, (b) completeness, (c) addressee, (d) identification of subject matter, (e) legal basis, (f) compliance with standards, and (g) timeliness. ?In formulating the audit opinion or report, the auditor should inter alia give due regard to the materiality of the matter keeping in view the amount, nature and context. ?Auditors should report on significant instances of non-compliance and abuse that were found in audit. In some circumstances, auditors should report illegal acts promptly to the audited entity without waiting for the full report to be prepared after the audit. ?When auditors conclude, based on evidence obtained, that fraud or corruption has either occurred or is suspected to have occurred, they should report relevant information. Such information that is clearly inconsequential either in a quantitative or qualitative sense need not be reported. When fraud involves financial assistance directly or indirectly from the Government and if the management fails to take remedial steps, the auditor may report it directly to the concerned Government and the grantor agency where such

Comptroller and Auditor General of India NOTES Self-Instructional 158 Material assistance is indirect and routed through such agency. Reporting of the cases of fraud and corruption noticed in audit directly to any other authorities shall be governed by the general or special orders of the Comptroller and Auditor General. The reporting of instances of fraud and corruption need not wait for final report of the auditor where promptness in such reporting is desirable due to special circumstances. ?Auditors should report deficiencies in internal control that they consider significant. ?Compliance audits, besides reporting on individual cases of non-compliance and abuse, also require reporting on weaknesses that exist in systems of financial management and internal control. The auditor should also report the results of examination of rules, regulations, orders and instructions and their consistency as well as significant irregularities and instances of fraud and corruption. ?In the report on the financial statements, the auditor should inter alia either (a) describe the scope of the auditor’s testing of compliance with laws, rules and regulations and internal control in preparation of financial statements and present the results of those tests or (b) refer to the separate report(s) containing that information. In presenting the results of those tests, the auditor should report fraud, corruption, illegal acts, other material non-compliance, and significant deficiencies in internal control over financial reporting. ?The performance audit report should state clearly the objectives and scope of the audit. Reports may give independent information, advice or assurance as to whether and to what extent economy, efficiency and effectiveness are being or have been achieved. Performance audit reports should not concentrate solely on adverse assessment of the past but should be constructive. Recommendations should, as far as feasible, suggest what improvements are needed and how to achieve them. ?In follow up of recommendations, the auditor should maintain objectivity and independence and focus on whether identified weaknesses are corrected rather than on whether specific recommendations are adopted. ?Audit reports shall be forwarded by the audit department to the appropriate authorities of the audited entity. Copies shall also be sent to other officers who may be responsible for taking action on audit findings, conclusions and recommendations. Systems and procedures should be in place to assess whether adequate, prompt and proper follow up action has been taken on audit reports. In subsequent audits, the auditor should examine and report whether satisfactory action was taken on the audit reports.

NOTES Self-Instructional Material 159

45%	MATCHING BLOCK 483/536	W
Comptroller and Auditor General of India Financial Audit Under the Constitution of India and the Act, it is the duty of the Comptroller and Auditor General to audit and report on the accounts of the Union Government		

45%	MATCHING BLOCK 484/536	W
Comptroller and Auditor General of India Financial Audit Under the Constitution of India and the Act, it is the duty of the Comptroller and Auditor General to audit and report on the accounts of the Union Government		

and

65%	MATCHING BLOCK 485/536	W
of the Governments of each State and Union Territory having a legislative assembly. These reports are submitted to the President or the Governor of a State or the Administrator of a Union Territory having a legislative assembly, as the case may be,		

for being placed before the appropriate legislature. Compliance Audit (a) Broad Principles Examination of transactions in compliance audit Compliance audit examines the transactions relating to expenditure, receipts, assets and liabilities of Government for compliance with: ?The provisions of the Constitution of India and the applicable laws; and ?The rules, regulations, orders and instructions issued by the competent authority either in pursuance of the provisions of the Constitution of India and the laws or by virtue of the powers formally delegated to it by a superior authority. (b) Audit of Expenditure Authority of the CAG in regard to audit of expenditure Section 13 of the Act authorizes

85%	MATCHING BLOCK 486/536	W
the Comptroller and Auditor General to audit all expenditure from the Consolidated Fund of India and of each State and of each Union Territory having a legislative assembly.		

98%	MATCHING BLOCK 487/536	W
the Comptroller and Auditor General to audit all expenditure from the Consolidated Fund of India and of each State and of each Union Territory having a legislative assembly.		

Section 13 read with Section 2(e) of the Act also authorizes the Comptroller and Auditor General

78%

MATCHING BLOCK 488/536

W

to audit all transactions of the Union and of the States and Union Territories relating to Contingency Funds and Public Accounts. (c) Audit

72%

MATCHING BLOCK 489/536

W

all transactions of the Union and of the States and Union Territories relating to Contingency Funds and Public Accounts. (c) Audit of

Receipts Authority of the CAG for audit of receipts Section 16 of the Act authorizes the Comptroller and Auditor General to audit all receipts (both revenue and capital) of the Government of India and of Governments

96%

MATCHING BLOCK 490/536

W

of each State and of each Union Territory having a legislative assembly and to satisfy himself that the rules and procedures are designed to secure an effective check on the assessment, collection and proper allocation of revenue and are being duly observed.

Comptroller and Auditor General of India NOTES Self-Instructional 160 Material (d) Audit of Assets and Liabilities Stores and Stock Authority of the CAG for audit of stores and stock Section 17 read with Section 2(e) of

82%

MATCHING BLOCK 491/536

W

the Act authorizes the Comptroller and Auditor General to audit and report on the

73%

MATCHING BLOCK 492/536

W

the accounts of the stores and the stock kept in any office or department of the Union or of a State

or of a Union Territory having a legislative assembly. (

e) Audit of Grants-in-aid and Loans Audit of grants-in-aid and loans Audit of grants-in-aid and loans is primarily an extension of audit of expenditure and the broad principles of audit of expenditure shall apply. Additionally, it examines whether the amount of Government assistance is utilized

62%

MATCHING BLOCK 493/536

W

for the intended purpose. Performance Audit Performance audit is an independent assessment or examination of the

extent to which an organization, programme or scheme operates economically, efficiently and effectively. Three Es of performance audit Fig. 14.3 The Three Es of Performance Audit Performance audit assesses: 1. Economy: Economy is minimizing the cost of resources used for an activity, having regard to appropriate quality. Economy issues focus on the cost of the inputs and processes. Economy occurs where equal-quality resources are acquired at least cost. 2. Efficiency: Efficiency is the relationship between the output, in terms of goods, services or other results and the resources used to produce them.

NOTES Self-Instructional Material 161 Comptroller and Auditor General of India Efficiency exists where the use of financial, human, physical and information resources is such that output is maximized for any given set of resource inputs, or input is minimized for any given quantity and quality of output. 3. Effectiveness: Effectiveness is the extent to which objectives are achieved and the relationship between the intended impact and the actual impact of an activity. Effectiveness addresses the issue of whether the scheme, programme or organization has achieved its objectives. Audit of Bodies and Authorities Government Establishments and Companies (a) Broad Principles Authority of the CAG for audit of bodies and authorities The audit of bodies and authorities, other than Government establishments and companies, by the Comptroller and Auditor General is governed by the provisions contained in Sections 14, 15, 19(2), 19(3), 19A and 20 of the Act. (b) Audit

90%

MATCHING BLOCK 494/536

W

of Bodies and Authorities substantially financed from Union or State Revenues

Audit of bodies and authorities under Section 14

52%

MATCHING BLOCK 495/536

W

of the Act Section 14(1) of the Act authorizes the Comptroller and Auditor General to audit the receipts and expenditure of a body or authority

52%

MATCHING BLOCK 496/536

W

of the Act Section 14(1) of the Act authorizes the Comptroller and Auditor General to audit the receipts and expenditure of a body or authority

if (a)
the amount of Government grant or loan paid to it

76%

MATCHING BLOCK 497/536

W

in a financial year is not less than rupees twenty-five lakh and

also (b)

92%

MATCHING BLOCK 498/536

W

the amount of such grant or loan is not less than seventy-five per cent of its total expenditure

during the year. Audit under this Section is

76%

MATCHING BLOCK 499/536

W

subject to the provisions of any law applicable to the body or authority.

Section 14(2) of the Act provides that

93%

MATCHING BLOCK 500/536

W

the Comptroller and Auditor General may, with the previous approval of the President or the Governor of a State or the Administrator of a Union Territory having a legislative assembly, as the case may be, audit all receipts and expenditure of a body or authority where the

76%

MATCHING BLOCK 501/536

W

the case may be, audit all receipts and expenditure of a body or authority where the amount of Government

76%

MATCHING BLOCK 502/536

W

the case may be, audit all receipts and expenditure of a body or authority where the amount of Government

grants or loans to the body or authority in a financial year is not less than rupees one crore. Where the receipts and expenditure of a body or authority are audited by the Comptroller and Auditor General under sub-section (1) or (2) of Section 14 for a particular year, the Comptroller and Auditor General is authorized under Section 14(3) of the Act to

66%

MATCHING BLOCK 503/536

W

continue to audit its receipts and expenditure for a further period of two years even if the conditions stated in sub-section (1) or (2) are not satisfied during any of the two subsequent years.

Comptroller and Auditor General of India NOTES Self-Instructional 162 Material (c) Scrutiny in case of grants and loans given to bodies and authorities for specific purpose Audit of bodies and authorities under Section 15 of the Act 1. Under Section 15 of the Act,

96%

MATCHING BLOCK 504/536

W

where any grant or loan is given for any specific purpose from the Consolidated Fund of India or of any State or of any Union Territory having a legislative assembly to any authority or body, not being a foreign state or international organization, the Comptroller and Auditor General

is authorized

100%

MATCHING BLOCK 505/536

W

to scrutinize the procedures by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which

100%

MATCHING BLOCK 506/536

W

to scrutinize the procedures by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which

88%

MATCHING BLOCK 507/536

W

the procedures by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which such grants or loans were given. 2.

73%

MATCHING BLOCK 508/536

W

The President or the Governor of a State or the Administrator of a Union Territory having a legislative assembly, as the case may be, if he is of the opinion that it is necessary to do

so in public interest and after consultation with the Comptroller and Auditor General, may

91%

MATCHING BLOCK 509/536

W

relieve the Comptroller and Auditor General from making any such scrutiny in respect of any body or authority receiving such grant or loan. (

e) Audit of State Corporations and other bodies and authorities entrusted to the CAG Audit under Section 19(3) of the Act As per Section 19(3)

94%

MATCHING BLOCK 510/536

W

of the Act, the Governor of a State or the Administrator of a Union Territory having a legislative assembly may, where he is of the opinion that it is necessary in the public interest so to do, request the Comptroller and Auditor General to audit the accounts of a corporation established by law made by the legislature of the State or of the Union Territory, as the case may be, and where such request has been made, the Comptroller and Auditor General shall audit the accounts of such corporation and shall have, for the purposes of such audit, right of access to the books and accounts of such corporation. No such request shall be made except after consultation with the Comptroller and Auditor General and after giving reasonable opportunity to the corporation to make representation with regard to the proposal for such audit. Audit of

Government Companies (a) Mandate Mandate of the CAG in regard to audit of Government companies As per

70%

MATCHING BLOCK 511/536

W

Section 19 of the Act, the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of

70%

MATCHING BLOCK 512/536

W

Section 19 of the Act, the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of

97%

MATCHING BLOCK 513/536

W

the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of Government companies

NOTES Self-Instructional Material 163 Comptroller and Auditor General of India

100%

MATCHING BLOCK 514/536

W

shall be performed and exercised by him in accordance with the provisions of the Companies Act, 1956. (

b) General Provisions Application of ICAI standards for public sector enterprises The accounting standards and standard audit practices issued by the Institute of Chartered Accountants of India (ICAI) should be kept in view while carrying out the audit of Government companies or deemed Government companies. (c) Appointment of Statutory Auditor The statutory auditor of a Government company or

76%

MATCHING BLOCK 515/536

W

a deemed Government company shall be appointed by the Comptroller and Auditor General

76%

MATCHING BLOCK 516/536

W

a deemed Government company shall be appointed by the Comptroller and Auditor General

from amongst persons qualified to act as auditors under the Companies Act, 1956. The Comptroller and Auditor General shall appoint the statutory auditor for a financial year through a process of selection as may be prescribed and thereafter, subject to the following Regulations, re-appoint him on year to year basis unless special circumstances warrant appointment for a longer period. The total period of appointment including the initial appointment should not ordinarily exceed four financial years. The appointment shall be subject to such terms and conditions as may be prescribed from time to time by the Comptroller and Auditor General. (d) Audit by Statutory Auditor Role of the CAG with regard to audit by statutory auditor

57%

MATCHING BLOCK 517/536

W

The Comptroller and Auditor General is authorized to: ?Direct the manner in which the statutory auditor shall audit the accounts of the company and to give to such auditor instructions in regard to any matter relating to the performance of his functions as such;

57%

MATCHING BLOCK 518/536

W

The Comptroller and Auditor General is authorized to: ?Direct the manner in which the statutory auditor shall audit the accounts of the company and to give to such auditor instructions in regard to any matter relating to the performance of his functions as such;

and ?Conduct a supplementary or test audit of the accounts of the company. (e) Supplementary Audit by the CAG Duly adopted and audited accounts to be made available to Audit The company shall make available the balance sheet and the profit and loss account and any other statements or documents declared under the Companies Act, 1956 to be part of or annexed to the balance sheet and the profit and loss account (called annual accounts) duly adopted by the board of directors and audited by the statutory auditor to the Accountant General (Audit) within three months after the close of the year of accounts for timely finalization and issue of comments of the Comptroller and Auditor General, and for consequently holding the annual

Comptroller and Auditor General of India NOTES Self-Instructional 164 Material general meeting of the company within the time stipulated in the Companies Act, 1956. In the case of companies not listed on the stock exchange, the Accountant General (Audit) may extend the said date by one month. (f) Test Audit by the CAG Scope of test audit by the CAG In addition to the supplementary audit of annual accounts of a Government company or a deemed Government company, the Comptroller and Auditor General may conduct test audits during the year. This audit shall cover transactions entered into by the company with a view to examining their regularity, propriety, probity, economy, efficiency and effectiveness and report on cases of failure of compliance with laws, rules and regulations, waste, mismanagement, other irregularities and frauds and corruption. The scope of test audit may extend to more than one financial year. The audit shall be conducted in accordance with the Regulations in the relevant chapters. (g) Audit Board for Central Public Sector Undertakings Establishment of Audit Board for central public sector undertakings With a view to ascertaining the extent to which an activity, programme or organization operates economically, efficiently and effectively for the achievement of the designated objectives, the Comptroller and Auditor General has, in consultation with the Government of India, established an Audit Board for central public sector undertakings. The Audit Board is a permanent body for performance audits of the central public sector undertakings conducted at periodic intervals focusing on critical areas of their performance. The Audit Board is responsible for reviewing the performance of the central public sector undertakings on thematic issues. The issues may relate to a particular entity or cut horizontally across several entities. The scope of performance audit may extend to more than one financial year. (h) Audit Review Committee for Performance Audit of State PSEs Establishment of audit review committee for performance audit of State PSEs The Comptroller and Auditor General has established a system for finalization of performance audit reports of selected entities, programmes or activities of state public sector enterprises (PSEs) through the mechanism of a committee called the Audit Review Committee for Performance Audit of State Public Sector Enterprises for each State with the following constitution:
NOTES Self-Instructional Material 165 Comptroller and Auditor General of India 1. The Accountant General (Audit) concerned shall be the chairperson of the committee. Accountant General (Audit) or Accountant General (Accounts and Entitlement) in a neighboring State will be another member. The chairperson may, at his discretion, call a special invitee for seeking opinion on technical issues. 2. The Secretary to Government of the concerned department and the chief executive of the concerned public sector enterprise shall be the Government and public sector enterprise nominees on the committee. In case some technical issues are involved, the State Government has the option to nominate a technical member for expert opinion. Deputy Comptroller and Auditor General or Additional Deputy Comptroller and Auditor General (State Commercial) may nominate an officer for attending the meeting of the committee as a representative of the Comptroller and Auditor General. Role of the CAG in Audit 1. Panchayati Raj Institutions and Urban Local Bodies Arrangements for maintenance of accounts and audit: Under Articles 243 J

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and Z of the Constitution, the legislature of a State may, by law,

make provisions with respect to the maintenance of accounts and the auditing of such accounts of panchayati raj institutions and urban

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local bodies. The local fund auditor, who is generally an officer of the State Government, is responsible for audit of panchayati raj institutions and urban local bodies. In the states of Bihar, Jharkhand and West Bengal, the Examiner of Local Fund Accounts, who is an officer of the Comptroller and Auditor General, is responsible for the audit of

accounts of panchayati raj institutions and urban local bodies. Auditing in Information Technology Environment Scope of auditing in IT environment The term 'auditing in IT environment' encompasses auditing IT systems including those under development, and IT-assisted audits. Auditing in IT environment is a methodology of audit and can be applied to all types of audit, namely, financial audit, compliance audit and performance audit. Applicability of broad principles of audit The broad principles of audit as contained in these Regulations shall apply to auditing in IT environment.

Comptroller and Auditor General of India NOTES Self-Instructional 166 Material Audit of economy, efficiency and effectiveness of IT systems Audit examines the economy, efficiency and effectiveness of the IT systems in the utilization of resources to achieve the organizational goals. Audit examination of IT systems at various stages Audit may examine the IT systems at various stages such as feasibility study, system development, implementation and maintenance. This is to ensure that IT assets are safeguarded and that appropriate controls are in place to ensure (a) integrity of the system, (b) reliability, availability and confidentiality of the data and information and (c) compliance of the system with rules and procedures. Audit Evidence Meaning of audit evidence and sharing the same with auditable entity Audit evidence refers to the data, information and documents relied upon to arrive at the audit findings and conclusions. While reporting the results of audit, the Comptroller and Auditor General may include such audit evidence in support of audit findings and conclusions as considered necessary. However, the audit evidence retained as working papers and not included explicitly in the final report of audit, viz. audit notes, inspection reports, audit reports, etc. may be shared with the auditable entity at various stages of audit. Conduct of Audit Authority of the CAG to inspect offices and to conduct audit The Comptroller and Auditor General is authorized under the Act to inspect offices and to conduct audit in the offices that attract his audit jurisdiction in connection with the performance of duties under the Act. For this purpose, audit teams shall be deputed to the offices of the auditable entities from time to time. An inspecting officer shall lead each such team. The team can also visit places where relevant records of the auditable entity are kept. Audit Notes and Inspection Reports Communication of results of audit The audit office shall communicate the results of audit to the auditable entities through audit notes or inspection reports.

NOTES Self-Instructional Material 167 Comptroller and Auditor General of India Issue of inspection reports and audit notes The audit office shall, as far as possible, issue the inspection report or audit notes within six weeks from the date of completion of audit or such other period as prescribed in this regard. Maintenance of record of audit observations by auditable entity Each auditable entity shall maintain proper record relating to the receipt of audit notes and inspection reports and the progress of their settlement. Audit Reports The form, content and time of submission of audit reports shall be decided by the Comptroller and Auditor General. Adequate opportunity shall be provided to Government to offer its comments, observations and explanation before including any matter in an audit report. Communication of draft paragraph to Government and discussion thereon 1. The Accountant General (Audit) shall send a copy of the proposed audit observations in the form of a draft paragraph to the concerned Secretary to Government by name for communicating the comments, observations and explanation of the Government within a period of six weeks from the date of the letter or within such other period of time as may be specified. The Accountant General (Audit) shall also offer to discuss the draft paragraph with the Secretary at mutual convenience within the aforesaid period. A discussion may not be necessary in the case of a draft performance audit report that has been separately discussed with the Secretary at an exit conference in terms of these Regulations. 2. The Accountant General (Audit) shall simultaneously send one copy of the draft paragraph to the Secretary to the Government, Ministry of Finance or Finance Department, by name. The draft paragraph shall be annotated with reference to the supporting audit evidence. The Accountant General (Audit) shall provide copies of any relevant documents and evidence in his possession that may be required by the Government department.

Comptroller and Auditor General of India

NOTES Self-Instructional Material 168 Material Check Your Progress 1. What is the Indian Audit and Accounts Department responsible for? 2. List the institutes of the Audit and Accounts department that provide training facilities. 3. What does extent of audit mean? 4. What does the system of quality control encompass? 5. What does compliance audit examine transactions for? 6. What does a test audit cover? 14.3 ANSWERS TO CHECK YOUR PROGRESS

QUESTIONS 1. The Indian Audit and Accounts

Department is responsible for development of organizational objectives and policies, audit standards and systems, management of the manpower and material resources of the

Department and final processing and approval of the Audit Reports. 2. The institutes of the Audit and Accounts department that provide training facilities include National Academy of Audit and Accounts, International Centre for Information Systems and Audit and newly set up International Centre for Environment Audit and Sustainable Development. 3. Extent of audit means the quantum of audit including the period, the units of the auditable entity, the extent of test check and the boundaries of audit enquiry to be covered in an audit. 4. The system of quality control encompasses the audit institution's emphasis on performing high quality work, and the organisation's policies and procedures designed to provide reasonable assurance of complying with standards 5. Compliance audit examines the transactions relating to expenditure, receipts, assets and liabilities of Government for compliance with: (i) The provisions of the Constitution of India and the applicable laws; and (ii) The rules, regulations, orders and instructions issued by the competent authority either in pursuance of the provisions of the Constitution of India and the laws or by virtue of the powers formally delegated to it by a superior authority.

NOTES Self-Instructional Material 169 Comptroller and Auditor General of India 6. the test audit covers transactions entered into by the company with a view to examining their regularity, propriety, probity, economy, efficiency and effectiveness and report on cases of failure of compliance with laws, rules and regulations, waste, mismanagement, other irregularities and frauds and corruption. 14.4 SUMMARY ?

Every person appointed to be the Comptroller and Auditor-General of India shall, before he enters upon his office, make and subscribe

before the President or some person appointed in that behalf by him,

an oath or affirmation according

to the form set out for the purpose in the Third Schedule. ?

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The reports of the Comptroller and Auditor-General of India relating to the accounts of the Union shall be submitted to the president, who shall cause them to be laid before each House of Parliament. ?The Comptroller and Auditor General of India

discharges his multifarious duties through the Indian Audit and Accounts Department.

The Department consists of about fifty thousand employees and is functionally organized into 133 specialized formations throughout the country. ?Auditable entity means an office, authority, body, company, corporation or any other entity subject to audit by the Comptroller and Auditor General of India. ?Audit Review Committee means the committee constituted by an Accountant General (Audit) for finalization of performance audits of State Public Sector Enterprises. ?Statutory auditor means an auditor or an auditing firm appointed under the Companies Act, 1956 for the audit of accounts of a Government company or a deemed Government company. ? Within the audit mandate, the Comptroller and Auditor General is the sole authority to decide the scope and extent of audit to be conducted by him or on his behalf. Such authority is not limited by any considerations other than ensuring that the objectives of audit are achieved. ?Auditing standards provide the framework for performing high quality audit. Compliance with these standards is expected to ensure that a high quality of audit is performed for achieving the audit objectives.

Comptroller and Auditor General of India NOTES Self-Instructional 170 Material ?The basic postulates for auditing standards are the basic premises and requirements which help in developing auditing standards and guide the auditors in forming their opinions and reports, particularly in cases where no specific standards apply. ?The general standards describe the qualifications of the auditor and the audit institution, the compliance of which enables them to carry out the tasks related to conduct of audit and reporting of audit findings in a competent and effective manner. ?Professional judgement represents the application of the collective knowledge, skills and experience of all personnel involved with an assignment as well as the professional judgement of the individual auditors. ?The reporting standards shall apply equally to all kinds of reports submitted by the Government auditors to the executive and the legislature, including inspection reports, audit reports and audit certificates on financial statements or statements of expenditure. ?The form and content of all audit opinions and reports need to be consistent with the principles laid down in regard to (a) objectives and scope, (b) completeness, (c) addressee, (d) identification of subject matter, (e) legal basis, (f) compliance with standards, and (g) timeliness. ?In the report on the financial statements, the auditor should inter alia either (a) describe the scope of the auditor's testing of compliance with laws, rules and regulations and internal control in preparation of financial statements and present the results of those tests or (b) refer to the separate report(s) containing that information. ?

Section 17 of

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Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 2(e) of the Act authorizes the Comptroller and Auditor General to audit and report on the accounts of the

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Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 2(e) of the Act authorizes the Comptroller and Auditor General to audit and report on the accounts of the

stores and the stock kept in any office or department of the Union
or
of a State
or of a Union Territory having a legislative assembly. ?
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Section 19 of the Act, the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of

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Section 19 of the Act, the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of

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of the Act, the duties and powers of the Comptroller and Auditor General

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the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of Government companies shall be performed and exercised by him in accordance with the provisions of the Companies Act, 1956. ?The

Audit

Board is a permanent body for performance audits of the central public sector undertakings conducted at periodic intervals focusing on critical areas of their performance.

NOTES Self-Instructional Material 171 Comptroller and Auditor General of India ?The term 'auditing in IT environment' encompasses auditing IT systems including those under development, and IT-assisted audits. Auditing in IT environment is a methodology of audit and can be applied to all types of audit, namely, financial audit, compliance audit and performance audit. ?The audit office shall as far as possible issue the inspection report or audit notes within six weeks from the date of completion of audit or such other period as prescribed in this regard. 14.5 KEY WORDS ?Audit : It means examination of accounts, transactions and records in performance of duties and exercises of powers

of the Comptroller and Auditor General as prescribed in the Constitution of India. ?

Audit Memorandum: It refers to a memorandum or letter issued during the course of audit for eliciting information, confirmation of facts or any other matter considered necessary by the audit officer in conduct of audit. 14.6

SELF ASSESSMENT QUESTIONS AND EXERCISES Short-Answer Questions 1. Define the term 'auditable mandate'. 2. What does major irregularity involve? 3. Write a short note on the broad objectives of audit. 4. What does performance audit assess? 5. What does

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section 14(1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971

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of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 authorize the

90% **MATCHING BLOCK 530/536** **W**
of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 authorize the

CAG to do? 6. Write a short note on the appointment of statutory advisor. Long-Answer Questions 1. Analyze the scope of audit. 2. Discuss the framework of basic postulates for auditing standards. 3. Elaborate upon the audit of bodies and authorities under Section 15 of the Act. 4. Explain the role of auditing in information technology environment.

Comptroller and Auditor General of India NOTES Self-Instructional 172 Material 14.7 FURTHER READINGS

100% **MATCHING BLOCK 531/536** **SA** CC-PA-10.pdf (D165362592)
Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.

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Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.

Sharma, M.P.

89% **MATCHING BLOCK 532/536** **W**
and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.

Thavaraj, M.J.K. 1978 . Financial Management of Government . New Delhi: Sultan Chand Publishers.

86% **MATCHING BLOCK 534/536** **SA** Public financial administration.docx (D166323443)
Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.

100% **MATCHING BLOCK 535/536** **SA** CC-PA-10.pdf (D165362592)
Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.

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Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.

Hit and source - focused comparison, Side by Side

Submitted text	As student entered the text in the submitted document.
Matching text	As the text appears in the source.

1/536	SUBMITTED TEXT	17 WORDS	70% MATCHING TEXT	17 WORDS
<p>Preparation of the Budget Process - Enactment of the Budget Process UNIT 8: Execution of the Budget</p> <p>SA Public financial administration.docx (D166323443)</p>				
2/536	SUBMITTED TEXT	44 WORDS	100% MATCHING TEXT	44 WORDS
<p>financial administration studies the role of the government in the economy. It is the definitive branch of economics which assesses the Government revenue and Government expenditure of the Public Authorities and the adjustment of one or the other to achieve desirable effects and avoid undesirable ones.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
3/536	SUBMITTED TEXT	44 WORDS	100% MATCHING TEXT	44 WORDS
<p>financial administration studies the role of the government in the economy. It is the definitive branch of economics which assesses the Government revenue and Government expenditure of the Public Authorities and the adjustment of one or the other to achieve desirable effects and avoid undesirable ones.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
4/536	SUBMITTED TEXT	31 WORDS	90% MATCHING TEXT	31 WORDS
<p>It is a subject which has the distinction of intimate interaction between theory and practice. As such it acquires a meaning and usefulness only in the context of institutional framework of the economy</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
5/536	SUBMITTED TEXT	31 WORDS	90% MATCHING TEXT	31 WORDS
<p>It is a subject which has the distinction of intimate interaction between theory and practice. As such it acquires a meaning and usefulness only in the context of institutional framework of the economy</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
6/536	SUBMITTED TEXT	24 WORDS	100% MATCHING TEXT	24 WORDS
<p>with reference to which it is being studied. The theoretical concepts and policy applications in public finance feed upon and grow out of each other.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

7/536	SUBMITTED TEXT	24 WORDS	100% MATCHING TEXT	24 WORDS
<p>with reference to which it is being studied. The theoretical concepts and policy applications in public finance feed upon and grow out of each other.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
8/536	SUBMITTED TEXT	40 WORDS	91% MATCHING TEXT	40 WORDS
<p>No single theoretical model can adequately fit in the framework of every economy since its institutional framework is a thing unique to itself. It is important, therefore, that the discussion of public finance should be in the context of a single economy.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
9/536	SUBMITTED TEXT	40 WORDS	91% MATCHING TEXT	40 WORDS
<p>No single theoretical model can adequately fit in the framework of every economy since its institutional framework is a thing unique to itself. It is important, therefore, that the discussion of public finance should be in the context of a single economy.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
10/536	SUBMITTED TEXT	118 WORDS	100% MATCHING TEXT	118 WORDS
<p>Public financial administration has a direct influence on the overall quality of life of the masses. It is concerned with that part of the government which is action-oriented. Recent years have witnessed a heated debate on several theoretical and policy issues covering several segments of public finance, including the role of fiscal policy. Pleas are being made for a thorough restructuring of its various theoretical and policy premises and the framework within which these should be conducted. Exponential growth and transformation in global financial system and worldwide meltdown caused by it have fuelled rethinking on the role of fiscal policy with a special focus on economic stability and growth—both in developed and developing countries. India, like the rest of the world, has also been deeply affected by these developments.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

11/536	SUBMITTED TEXT	118 WORDS	100% MATCHING TEXT	118 WORDS
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SA CC-PA-10.pdf (D164996485)				
12/536	SUBMITTED TEXT	13 WORDS	84% MATCHING TEXT	13 WORDS
<p>the Finance Commission, the Indian Audit and Accounts Department and the Parliamentary Committees.</p>				
SA CC-PA-10.pdf (D165362592)				
13/536	SUBMITTED TEXT	13 WORDS	84% MATCHING TEXT	13 WORDS
<p>the Finance Commission, the Indian Audit and Accounts Department and the Parliamentary Committees.</p>				
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14/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>discuss in detail the role of the Executive and the Legislature.</p>				
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15/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>discuss in detail the role of the Executive and the Legislature.</p>				
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16/536	SUBMITTED TEXT	12 WORDS	87% MATCHING TEXT	12 WORDS
<p>The functions of the Finance Ministry and the significance of financial administration</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
17/536	SUBMITTED TEXT	12 WORDS	87% MATCHING TEXT	12 WORDS
<p>The functions of the Finance Ministry and the significance of financial administration</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
18/536	SUBMITTED TEXT	36 WORDS	97% MATCHING TEXT	36 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the meaning and nature of financial administration ? Discuss in detail the role of the Executive and the Legislature in financial administration ? Explain the significance of financial administration Financial Administration</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
19/536	SUBMITTED TEXT	36 WORDS	97% MATCHING TEXT	36 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the meaning and nature of financial administration ? Discuss in detail the role of the Executive and the Legislature in financial administration ? Explain the significance of financial administration Financial Administration</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
20/536	SUBMITTED TEXT	35 WORDS	82% MATCHING TEXT	35 WORDS
<p>of the people. Financial administration is a dynamic process that involves an on-going chain of operations, performed by the following agencies: (i) The Executive (primarily the Finance Ministry), which needs funds (ii) The Legislature, which alone can grant funds (</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
21/536	SUBMITTED TEXT	35 WORDS	82% MATCHING TEXT	35 WORDS
<p>of the people. Financial administration is a dynamic process that involves an on-going chain of operations, performed by the following agencies: (i) The Executive (primarily the Finance Ministry), which needs funds (ii) The Legislature, which alone can grant funds (</p> <p>SA CC-PA-10.pdf (D164996485)</p>				

22/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>iii) The Finance Commission (iv) The Indian Audit and Accounts Department (v) The Parliamentary Committees</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
23/536	SUBMITTED TEXT	31 WORDS	51% MATCHING TEXT	31 WORDS
<p>of the Indian union, the executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p> <p>of the Constitution of India, the executive powers of the Union Government vest in the President and are exercised by him either directly or through officers subordinate to him</p>				
24/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>iii) The Finance Commission (iv) The Indian Audit and Accounts Department (v) The Parliamentary Committees</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
25/536	SUBMITTED TEXT	31 WORDS	51% MATCHING TEXT	31 WORDS
<p>of the Indian union, the executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p> <p>of the Constitution of India, the executive powers of the Union Government vest in the President and are exercised by him either directly or through officers subordinate to him</p>				
26/536	SUBMITTED TEXT	35 WORDS	100% MATCHING TEXT	35 WORDS
<p>the executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him or her, in accordance with the Constitution (Article 53). ?The</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
27/536	SUBMITTED TEXT	35 WORDS	100% MATCHING TEXT	35 WORDS
<p>the executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him or her, in accordance with the Constitution (Article 53). ?The</p> <p>SA CC-PA-10.pdf (D164996485)</p>				

28/536	SUBMITTED TEXT	43 WORDS	100% MATCHING TEXT	43 WORDS
<p>The Finance Ministry is an important ministry within the Government of India. It is the leading state administration institution in the field of finances. It develops financial policy, coordinates and organizes its implementation, as well as performs other functions stated in the external regulatory enactments.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
29/536	SUBMITTED TEXT	43 WORDS	100% MATCHING TEXT	43 WORDS
<p>The Finance Ministry is an important ministry within the Government of India. It is the leading state administration institution in the field of finances. It develops financial policy, coordinates and organizes its implementation, as well as performs other functions stated in the external regulatory enactments.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
30/536	SUBMITTED TEXT	17 WORDS	91% MATCHING TEXT	17 WORDS
<p>Taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget are the</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
31/536	SUBMITTED TEXT	17 WORDS	91% MATCHING TEXT	17 WORDS
<p>Taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget are the</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
32/536	SUBMITTED TEXT	64 WORDS	95% MATCHING TEXT	64 WORDS
<p>Parliament or the Union Legislature, the supreme legislative body in the country, comprises two Houses— Lok Sabha (House of the People) and Rajya Sabha (Council of States). The main function of both the Houses is to pass laws. The law proposal originates in the Parliament in the form of a bill. There are four types of bills that come up before the Parliament, namely ordinary or non-money bill,</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

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Parliament or the Union Legislature, the supreme legislative body in the country, comprises two Houses— Lok Sabha (House of the People) and Rajya Sabha (Council of States). The main function of both the Houses is to pass laws. The law proposal originates in the Parliament in the form of a bill. There are four types of bills that come up before the Parliament, namely ordinary or non-money bill,

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bill, money bill, constitution amendment bill and budget. Of these four types of bills, money bill and budget pertain to financial administration. Article 110 clearly defines what constitutes a 'money bill'. The Speaker of the Lok Sabha certifies whether a bill is a 'money bill' or a non-money bill. Money bill can be introduced, only along with the prior recommendation of the President, in the Lok Sabha and not in the Rajya Sabha. The Rajya Sabha cannot reject the money bill. It can only make recommendations.

SA CC-PA-10.pdf (D165362592)**35/536****SUBMITTED TEXT**

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62% MATCHING TEXT

16 WORDS

Every year, the budget is presented before the Lok Sabha. The Finance Ministry prepares the budget.

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37/536	SUBMITTED TEXT	19 WORDS	77% MATCHING TEXT	19 WORDS
<p>Railway budget is presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget</p>		<p>railway budget is introduced piloted by the Railway Minister while the general budget is introduced by the Finance Minister. The budget</p>		
<p>W http://www.jeywin.com/wp-content/uploads/2010/03/Optional-Public-Administration-8-Financial-Admin ...</p>				
38/536	SUBMITTED TEXT	16 WORDS	62% MATCHING TEXT	16 WORDS
<p>Every year, the budget is presented before the Lok Sabha. The Finance Ministry prepares the budget.</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				
39/536	SUBMITTED TEXT	20 WORDS	100% MATCHING TEXT	20 WORDS
<p>presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget passes through various stages.</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
40/536	SUBMITTED TEXT	20 WORDS	100% MATCHING TEXT	20 WORDS
<p>presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget passes through various stages.</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				
41/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>passed by the Parliament and assented to by the President within 75 days</p>				
<p>SA Public financial administration.docx (D166323443)</p>				
42/536	SUBMITTED TEXT	39 WORDS	100% MATCHING TEXT	39 WORDS
<p>The financial administration is very significant aspect of public administration because the running or management of administration is not possible without money or finance and for that reason the financial administration occupies the centre of public administration. The Ministry of Finance</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				

43/536	SUBMITTED TEXT	39 WORDS	100% MATCHING TEXT	39 WORDS
<p>The financial administration is very significant aspect of public administration because the running or management of administration is not possible without money or finance and for that reason the financial administration occupies the centre of public administration. The Ministry of Finance</p>				
SA CC-PA-10.pdf (D164996485)				
44/536	SUBMITTED TEXT	15 WORDS	66% MATCHING TEXT	15 WORDS
<p>Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of</p>				
SA Public financial administration.docx (D166323443)				
45/536	SUBMITTED TEXT	45 WORDS	63% MATCHING TEXT	45 WORDS
<p>concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. The Union Finance Ministry of India comprises five departments— Department of Financial Administration NOTES Self-Instructional 6 Material Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments.</p>				
SA CC-PA-10.pdf (D165362592)				
46/536	SUBMITTED TEXT	45 WORDS	63% MATCHING TEXT	45 WORDS
<p>concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. The Union Finance Ministry of India comprises five departments— Department of Financial Administration NOTES Self-Instructional 6 Material Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments.</p>				
SA CC-PA-10.pdf (D164996485)				
47/536	SUBMITTED TEXT	24 WORDS	100% MATCHING TEXT	24 WORDS
<p>Comptroller and Auditor General of India controls the entire financial system of the country — at the Union and as well at the state levels (</p>				
SA CC-PA-10.pdf (D165362592)				

48/536	SUBMITTED TEXT	24 WORDS	68% MATCHING TEXT	24 WORDS
	Comptroller and Auditor General of India controls the entire financial system of the country – at the Union and as well at the state levels (Comptroller and Auditor General is a pivotal office in the Government of India who controls the entire financial system of the country [Art. 148]-at the Union as well as the State levels.	
	<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>			

49/536	SUBMITTED TEXT	27 WORDS	82% MATCHING TEXT	27 WORDS
	duty to see that not a single paisa is spent from the Consolidated Fund of India or of a State without the authority of the appropriate legislature. In		duty to see that not a farthing is spent out of the Consolidated Fund of India or of a State without the authority of the appropriate Legislature. In	
	<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>			

50/536	SUBMITTED TEXT	24 WORDS	100% MATCHING TEXT	24 WORDS
	Comptroller and Auditor General of India controls the entire financial system of the country – at the Union and as well at the state levels (
	<p>SA CC-PA-10.pdf (D164996485)</p>			

51/536	SUBMITTED TEXT	104 WORDS	96% MATCHING TEXT	104 WORDS
	financial administration is an instrument of 'modern governments for making "popular sovereignty" a social reality. The concept of planned development has enabled public administrators to play an active and dynamic role in the formulation and implementation of development schemes and projects. The time and cost of implementing these projects have become critically important. The accent of financial administration has shifted from one of controlling the disbursement of funds to one of management of various development projects and programmes. The rise of performance budgeting and other related budgetary innovations represent remarkable achievements of financial administration in meeting this challenge. From the 1980 onwards, resource crunch has become a very serious problem. While there is			
	<p>SA Public financial administration.docx (D166323443)</p>			

52/536	SUBMITTED TEXT	85 WORDS	97% MATCHING TEXT	85 WORDS
<p>tremendous pressure on the governments to increase their expenditure outlays to meet the ever expanding ambitions and demands of the people, the taxpayers are unable or unwilling to bear additional tax burdens. In this dilemma, a need has arisen for a careful prioritisation of public expenditure. Hence, a study of financial administration and management which are a part of public administration has become important to seek out ways for eliminating unwanted expenditure and ensuring optimisation of output on a limited resource base. Zero based budgeting is an attempt in this direction.</p>				
<p>SA Public financial administration.docx (D166323443)</p>				
53/536	SUBMITTED TEXT	15 WORDS	81% MATCHING TEXT	15 WORDS
<p>The Finance Commission ?The Indian Audit and Accounts Department ?The Parliamentary Committees 2. The chairman of the</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
54/536	SUBMITTED TEXT	15 WORDS	81% MATCHING TEXT	15 WORDS
<p>The Finance Commission ?The Indian Audit and Accounts Department ?The Parliamentary Committees 2. The chairman of the</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				
55/536	SUBMITTED TEXT	17 WORDS	91% MATCHING TEXT	17 WORDS
<p>Taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget are the</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
56/536	SUBMITTED TEXT	17 WORDS	91% MATCHING TEXT	17 WORDS
<p>Taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget are the</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				

57/536	SUBMITTED TEXT	17 WORDS	88% MATCHING TEXT	17 WORDS
<p>There are four types of bills that come up before the Parliament, namely ordinary or non-money bill,</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
58/536	SUBMITTED TEXT	17 WORDS	88% MATCHING TEXT	17 WORDS
<p>There are four types of bills that come up before the Parliament, namely ordinary or non-money bill,</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
59/536	SUBMITTED TEXT	16 WORDS	68% MATCHING TEXT	16 WORDS
<p>budget. 5. The budget used to be presented in two parts: Railway Budget and General Budget. 6. The</p> <p>SA Public financial administration.docx (D166323443)</p>				
60/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>The financial administration is considered the centre of public administration</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
61/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>The financial administration is considered the centre of public administration</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
62/536	SUBMITTED TEXT	16 WORDS	72% MATCHING TEXT	16 WORDS
<p>departments— Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of</p> <p>SA Public financial administration.docx (D166323443)</p>				

63/536	SUBMITTED TEXT	25 WORDS	85% MATCHING TEXT	25 WORDS
<p>The Union Finance Ministry of India comprises five departments – Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments. 1.4</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
64/536	SUBMITTED TEXT	25 WORDS	85% MATCHING TEXT	25 WORDS
<p>The Union Finance Ministry of India comprises five departments – Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments. 1.4</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				
65/536	SUBMITTED TEXT	27 WORDS	57% MATCHING TEXT	27 WORDS
<p>The executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him</p>		<p>the executive powers of the Union Government vest in the President and are exercised by him either directly or through officers subordinate to him</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
66/536	SUBMITTED TEXT	27 WORDS	87% MATCHING TEXT	27 WORDS
<p>Financial administration is a dynamic process that involves an on-going chain of operations, performed by the following agencies: i. The Executive (primarily the Finance Ministry), which needs funds</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
67/536	SUBMITTED TEXT	27 WORDS	57% MATCHING TEXT	27 WORDS
<p>The executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him</p>		<p>the executive powers of the Union Government vest in the President and are exercised by him either directly or through officers subordinate to him</p>		
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				

68/536**SUBMITTED TEXT**

27 WORDS

87% MATCHING TEXT

27 WORDS

Financial administration is a dynamic process that involves an on-going chain of operations, performed by the following agencies: i. The Executive (primarily the Finance Ministry), which needs funds

SA CC-PA-10.pdf (D164996485)**69/536****SUBMITTED TEXT**

159 WORDS

98% MATCHING TEXT

159 WORDS

iii. The Finance Commission iv. The Indian Audit and Accounts Department v. The Parliamentary Committees ?The executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him or her, in accordance with the Constitution (Article 53). ?The Finance Ministry is an important ministry within the Government of India. It is the leading state administration institution in the field of finances. It develops financial policy, coordinates and organizes its implementation, as well as performs other functions stated in the external regulatory enactments. ?India has a parliamentary form of government. Our Parliament or the Union Legislature, the supreme legislative body in the country, comprises two Houses— Lok Sabha (House of the People) and Rajya Sabha (Council of States). ?The main function of both the Houses of parliament is to pass laws. The law proposal originates in the Parliament in the form of a bill. There are four types of bills that come up before the Parliament, namely ordinary or non- money bill,

SA CC-PA-10.pdf (D165362592)

70/536	SUBMITTED TEXT	159 WORDS	98% MATCHING TEXT	159 WORDS
<p>iii. The Finance Commission iv. The Indian Audit and Accounts Department v. The Parliamentary Committees ?The executive powers of the central government have been vested in the President, to be exercised by him or her either directly or through officers subordinate to him or her, in accordance with the Constitution (Article 53). ?The Finance Ministry is an important ministry within the Government of India. It is the leading state administration institution in the field of finances. It develops financial policy, coordinates and organizes its implementation, as well as performs other functions stated in the external regulatory enactments. ?India has a parliamentary form of government. Our Parliament or the Union Legislature, the supreme legislative body in the country, comprises two Houses— Lok Sabha (House of the People) and Rajya Sabha (Council of States). ?The main function of both the Houses of parliament is to pass laws. The law proposal originates in the Parliament in the form of a bill. There are four types of bills that come up before the Parliament, namely ordinary or non- money bill,</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				

71/536	SUBMITTED TEXT	80 WORDS	100% MATCHING TEXT	80 WORDS
<p>bill, money bill, constitution amendment bill and budget. Of these four types of bills, money bill and budget pertain to financial administration. ?Article 110 clearly defines what constitutes a 'money bill'. The Speaker of the Lok Sabha certifies whether a bill is a 'money bill' or a non-money bill. Money bill can be introduced, only along with the prior recommendation of the President, in the Lok Sabha and not in the Rajya Sabha. The Rajya Sabha cannot reject the money bill. It can only make recommendations. ?</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				

72/536	SUBMITTED TEXT	80 WORDS	100% MATCHING TEXT	80 WORDS
<p>bill, money bill, constitution amendment bill and budget. Of these four types of bills, money bill and budget pertain to financial administration. ?Article 110 clearly defines what constitutes a 'money bill'. The Speaker of the Lok Sabha certifies whether a bill is a 'money bill' or a non-money bill. Money bill can be introduced, only along with the prior recommendation of the President, in the Lok Sabha and not in the Rajya Sabha. The Rajya Sabha cannot reject the money bill. It can only make recommendations. ?</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				

73/536	SUBMITTED TEXT	16 WORDS	62% MATCHING TEXT	16 WORDS
<p>Every year, the budget is presented before the Lok Sabha. The Finance Ministry prepares the budget.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
74/536	SUBMITTED TEXT	19 WORDS	77% MATCHING TEXT	19 WORDS
<p>Railway budget is presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget</p> <p>railway budget is introduced piloted by the Railway Minister while the general budget is introduced by the Finance Minister. The budget</p> <p>W http://www.jeywin.com/wp-content/uploads/2010/03/Optional-Public-Administration-8-Financial-Admin ...</p>				
75/536	SUBMITTED TEXT	16 WORDS	62% MATCHING TEXT	16 WORDS
<p>Every year, the budget is presented before the Lok Sabha. The Finance Ministry prepares the budget.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
76/536	SUBMITTED TEXT	19 WORDS	100% MATCHING TEXT	19 WORDS
<p>presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget passes through various stages. ?</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
77/536	SUBMITTED TEXT	19 WORDS	100% MATCHING TEXT	19 WORDS
<p>presented by the Railway Minister while the general budget is presented by the Finance Minister. The budget passes through various stages. ?</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
78/536	SUBMITTED TEXT	38 WORDS	100% MATCHING TEXT	38 WORDS
<p>The financial administration is very significant aspect of public administration because the running or management of administration is not possible without money or finance and for that reason the financial administration occupies the centre of public administration. ?The Ministry of Finance</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

79/536	SUBMITTED TEXT	38 WORDS	100% MATCHING TEXT	38 WORDS
<p>The financial administration is very significant aspect of public administration because the running or management of administration is not possible without money or finance and for that reason the financial administration occupies the centre of public administration. ?The Ministry of Finance</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
80/536	SUBMITTED TEXT	26 WORDS	100% MATCHING TEXT	26 WORDS
<p>concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. ?The Union Finance Ministry of India comprises five departments—</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
81/536	SUBMITTED TEXT	26 WORDS	100% MATCHING TEXT	26 WORDS
<p>concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. ?The Union Finance Ministry of India comprises five departments—</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
82/536	SUBMITTED TEXT	16 WORDS	70% MATCHING TEXT	16 WORDS
<p>Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of</p> <p>SA Public financial administration.docx (D166323443)</p>				
83/536	SUBMITTED TEXT	16 WORDS	77% MATCHING TEXT	16 WORDS
<p>Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments. ?</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
84/536	SUBMITTED TEXT	16 WORDS	77% MATCHING TEXT	16 WORDS
<p>Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Financial Services and Department of Disinvestments. ?</p> <p>SA CC-PA-10.pdf (D164996485)</p>				

85/536	SUBMITTED TEXT	25 WORDS	100% MATCHING TEXT	25 WORDS
<p>Comptroller and Auditor General of India controls the entire financial system of the country – at the Union and as well at the state levels. 1.5</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
86/536	SUBMITTED TEXT	25 WORDS	68% MATCHING TEXT	25 WORDS
<p>Comptroller and Auditor General of India controls the entire financial system of the country – at the Union and as well at the state levels. 1.5</p> <p>Comptroller and Auditor General is a pivotal office in the Government of India who controls the entire financial system of the country [Art. 148]-at the Union as well as the State levels.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
87/536	SUBMITTED TEXT	25 WORDS	100% MATCHING TEXT	25 WORDS
<p>Comptroller and Auditor General of India controls the entire financial system of the country – at the Union and as well at the state levels. 1.5</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
88/536	SUBMITTED TEXT	51 WORDS	100% MATCHING TEXT	51 WORDS
<p>KEY WORDS ?Audit: It is an objective examination and evaluation of the financial statements to make sure that the financial records are fair and accurate. ?Subsidies: It is a benefit given to an individual, business, or institution, usually by the government. It is usually in the form of a cash payment or a tax reduction. ?</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
89/536	SUBMITTED TEXT	51 WORDS	100% MATCHING TEXT	51 WORDS
<p>KEY WORDS ?Audit: It is an objective examination and evaluation of the financial statements to make sure that the financial records are fair and accurate. ?Subsidies: It is a benefit given to an individual, business, or institution, usually by the government. It is usually in the form of a cash payment or a tax reduction. ?</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
90/536	SUBMITTED TEXT	16 WORDS	100% MATCHING TEXT	16 WORDS
<p>is an estimation of revenue and expenses over a specified future period of time and is</p> <p>is an estimation of revenue and expenses over a specified future period of time and is</p> <p>W https://www.investopedia.com/terms/p/performance-budget.asp</p>				

91/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>an estimation of revenue and expenses over a specified future period</p> <p>SA Public financial administration.docx (D166323443)</p>				
92/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>A budget is basically a financial plan for a defined period. ?</p> <p>SA Public financial administration.docx (D166323443)</p>				
93/536	SUBMITTED TEXT	51 WORDS	100% MATCHING TEXT	51 WORDS
<p>Budget: It is an estimation of revenue and expenses over a specified future period of time and is utilized by governments, businesses, and individuals. A budget is basically a financial plan for a defined period. ?Zero-based budgeting: It is a method of budgeting in which all expenses must be justified for each new period. 1.6</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
94/536	SUBMITTED TEXT	51 WORDS	100% MATCHING TEXT	51 WORDS
<p>Budget: It is an estimation of revenue and expenses over a specified future period of time and is utilized by governments, businesses, and individuals. A budget is basically a financial plan for a defined period. ?Zero-based budgeting: It is a method of budgeting in which all expenses must be justified for each new period. 1.6</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
95/536	SUBMITTED TEXT	43 WORDS	97% MATCHING TEXT	43 WORDS
<p>Questions 1. What are the financial powers of the President of India? 2. What is the role of the legislature in the financial administration of the country? 3. Write a short note on the bills that pertain to financial administration. 4. What is a vote on account?</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

96/536	SUBMITTED TEXT	43 WORDS	97% MATCHING TEXT	43 WORDS
<p>Questions 1. What are the financial powers of the President of India? 2. What is the role of the legislature in the financial administration of the country? 3. Write a short note on the bills that pertain to financial administration. 4. What is a vote on account?</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
97/536	SUBMITTED TEXT	15 WORDS	100% MATCHING TEXT	15 WORDS
<p>Questions 1. Discuss the functions of the Finance Ministry. 2. Examine the significance of financial administration. 1.7</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
98/536	SUBMITTED TEXT	15 WORDS	100% MATCHING TEXT	15 WORDS
<p>Questions 1. Discuss the functions of the Finance Ministry. 2. Examine the significance of financial administration. 1.7</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
99/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
100/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
101/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
102/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

103/536	SUBMITTED TEXT	13 WORDS	76% MATCHING TEXT	13 WORDS
Budget is presented by the Finance Minister on the last working day of		Budget is presented in by the Finance Minister generally on the last day of		
W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...				
104/536	SUBMITTED TEXT	13 WORDS	76% MATCHING TEXT	13 WORDS
Budget is presented by the Finance Minister on the last working day of		Budget is presented in by the Finance Minister generally on the last day of		
W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...				
105/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.				
SA CC-PA-10.pdf (D164996485)				
106/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
by the Finance Minister on the last working day of February				
SA Public financial administration.docx (D166323443)				
107/536	SUBMITTED TEXT	12 WORDS	88% MATCHING TEXT	12 WORDS
OBJECTIVES After going through this unit, you will be able to: ? Discuss the				
SA Public financial administration.docx (D166323443)				
108/536	SUBMITTED TEXT	12 WORDS	88% MATCHING TEXT	12 WORDS
OBJECTIVES After going through this unit, you will be able to: ? Discuss the				
SA CC-PA-10.pdf (D165362592)				
109/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
OBJECTIVES After going through this unit, you will be able to: ? Discuss the		OBJECTIVES After going through this unit, you will be able to: • Discuss the		
W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf				

110/536	SUBMITTED TEXT	15 WORDS	96% MATCHING TEXT	15 WORDS
<p>annual financial statement, is a statement of the estimated receipts and expenditure of the government</p> <p>W http://www.jeywin.com/wp-content/uploads/2010/03/Optional-Public-Administration-8-Financial-Admin ...</p>		<p>Annual Financial Statement,' is a statement of the estimated receipts and expenditure, of the Government</p>		
111/536	SUBMITTED TEXT	16 WORDS	100% MATCHING TEXT	16 WORDS
<p>is a statement of the estimated receipts and expenditure of the government for that particular year.</p> <p>W https://m.economictimes.com/budget-faqs/how-is-the-budget-prepared-and-what-will-happen-this-year ...</p>		<p>is a statement of the estimated receipts and expenditure of the government for that particular year.</p>		
112/536	SUBMITTED TEXT	15 WORDS	62% MATCHING TEXT	15 WORDS
<p>general budget. ?It is presented each year on the last working day of February. ?It is</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>General Budget is presented on the last working day of February. March 21 is</p>		
113/536	SUBMITTED TEXT	12 WORDS	88% MATCHING TEXT	12 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Discuss the</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
114/536	SUBMITTED TEXT	16 WORDS	87% MATCHING TEXT	16 WORDS
<p>each year on the last working day of February. ?It is presented by the Finance Minister</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
115/536	SUBMITTED TEXT	18 WORDS	55% MATCHING TEXT	18 WORDS
<p>grant is allocated in respect of each ministry/department. In case of certain large departments/ministries, more than one demand</p> <p>W https://www.egyankosh.ac.in/bitstream/123456789/76662/1/Unit-5.pdf</p>		<p>Grant is presented in respect of each Ministry or Department. However, in respect of large Ministries or Departments more than one Demand</p>		
116/536	SUBMITTED TEXT	21 WORDS	56% MATCHING TEXT	21 WORDS
<p>Generally, one demand or grant is allocated in respect of each ministry/department. In case of certain large departments/ministries, more than one demand</p> <p>W https://www.indiabudget.gov.in/budget_archive/ub2010-11/keybud/keybud2010.htm</p>		<p>Generally, one Demand Grant is presented in respect of each Ministry or Department. However, in respect of large Ministries or Departments more than one Demand</p>		

117/536	SUBMITTED TEXT	16 WORDS	87% MATCHING TEXT	16 WORDS
<p>each year on the last working day of February. ?It is presented by the Finance Minister</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
118/536	SUBMITTED TEXT	15 WORDS	71% MATCHING TEXT	15 WORDS
<p>Article 112 of the Constitution of India speaks about presentation of annual financial statement of</p> <p>SA Public financial administration.docx (D166323443)</p>				
119/536	SUBMITTED TEXT	25 WORDS	94% MATCHING TEXT	25 WORDS
<p>are further analysed in the document 'receipts budget'. The document provides details regarding tax and non- tax revenue receipts and capital receipts and explains the estimates. 2.2.1</p> <p>are further analysed in the document "Receipts Budget". The document provides details of tax and non-tax revenue receipts and capital receipts and explains the estimates.</p> <p>W https://www.indiabudget.gov.in/budget_archive/ub2010-11/keybud/keybud2010.htm</p>				
120/536	SUBMITTED TEXT	28 WORDS	75% MATCHING TEXT	28 WORDS
<p>Social and Economic Implications The philosophy of 'laissez-faire' is used to govern and administer the activities in a state. Earlier, budget was considered merely a medium of management for state finances.</p> <p>Social and economic implications of budget The philosophy of 'laissez-fare' is used to govern and administer the activities in a state. Budget was not that important earlier and was merely a medium of management for state finances.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
121/536	SUBMITTED TEXT	70 WORDS	87% MATCHING TEXT	70 WORDS
<p>industrial growth and prosperity. Progress and welfare of a nation is now looked upon by the government under complex circumstances. Thus, preparing a budget that suits the welfare of the society is vital for the state. The social and economic objectives which need to be realised are as follows: ?Increase in production ?Addressing inequalities of income and wealth distributions ?Taking care of inflation which may be caused through a variety of circumstances such as war or natural calamity ?</p> <p>industrial age and prosperity, progress and welfare of a nation has to be looked upon by the government under complex circumstances. Thus, the significance of preparing a budget that suits the welfare of the society is vital for the state. The kind of objectives both social and economic which need to be realised are as follows: • Increase in production • Addressing inequalities of income and wealth distributions • Taking care of inflation which may be caused through a variety of circumstances such as war or natural calamity •</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

122/536	SUBMITTED TEXT	98 WORDS	97% MATCHING TEXT	98 WORDS
<p>full employment Production can be increased by protecting the industrial and agricultural sectors and allowing subsidies. Inequalities in distribution of wealth and income can be addressed by imposing taxes on people with large incomes. The income thus earned can be used in providing social services such as health and education, and houses for the poor sections of society. Similarly, inflation which is caused because of issuing vast amount of paper money, especially during war times can be fought by heavy taxation and borrowing money which in turn curtails the purchasing power. This method, however, is criticised and thus needs to be implemented with care and only during emergency.</p>		<p>full employment Production can be increased through protecting the industrial and agricultural sectors and allowing subsidies. Inequalities in distribution of wealth and income can be addressed through imposing taxes on people with large incomes. The income thus earned can be used in providing social services such as health and education, and houses for the poor sections of society. Similarly, inflation which is caused because of issuing vast amount of paper money, especially during war times can be fought by heavy taxation and borrowing money which in turn curtails the purchasing power. This method, however, is criticised and thus needs to be implemented with care and only during emergency.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
123/536	SUBMITTED TEXT	17 WORDS	71% MATCHING TEXT	17 WORDS
<p>The Union Budget is presented on the last working day of February. 5. Revenue expenditure is the</p>		<p>The General Budget is presented on the last working day of February. March 21 is the</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
124/536	SUBMITTED TEXT	40 WORDS	100% MATCHING TEXT	40 WORDS
<p>Inequalities in distribution of wealth and income can be addressed through imposing taxes on people with large incomes. The income thus earned can be used in providing social services such as health and education, and houses for the poor sections of society. 2.4</p>		<p>Inequalities in distribution of wealth and income can be addressed through imposing taxes on people with large incomes. The income thus earned can be used in providing social services such as health and education, and houses for the poor sections of society.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
125/536	SUBMITTED TEXT	16 WORDS	71% MATCHING TEXT	16 WORDS
<p>The Union Budget is presented on the last working day of February by the Finance Minister</p>		<p>the Rail Budget) is presented each on the first working day of February by the union Finance Minister</p>		
<p>W https://www.egyankosh.ac.in/bitstream/123456789/76662/1/Unit-5.pdf</p>				
126/536	SUBMITTED TEXT	16 WORDS	66% MATCHING TEXT	16 WORDS
<p>a financial year. ?Expenditure and sources of finance are planned in accordance with the objectives of the government. ?</p>				
<p>SA Public financial administration.docx (D166323443)</p>				
127/536	SUBMITTED TEXT	25 WORDS	94% MATCHING TEXT	25 WORDS
<p>Addressing inequalities of income and wealth distributions c) Taking care of inflation which may be caused through a variety of circumstances such as war or natural calamity</p>		<p>Addressing inequalities of income and wealth distributions • Taking care of inflation which may be caused through a variety of circumstances such as war or natural calamity •</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

128/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
129/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p> <p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
130/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
131/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
132/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
133/536	SUBMITTED TEXT	23 WORDS	63% MATCHING TEXT	23 WORDS
<p>At the Union level, the Railway Budget and the General Budget is presented. The Railway Budget was separated from the General Budget in 1921.</p> <p>at the Union level, there are two budgets – (the General Budget and (ii) the Railway The Railway budget was separated from the General budget in 1921.</p> <p>W http://www.jeywin.com/wp-content/uploads/2010/03/Optional-Public-Administration-8-Financial-Admin...</p>				
134/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				

135/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>The Railway Budget was separated from the General Budget in 1921.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>The Railway Budget was separated from the General Budget in 1921.</p>		
136/536	SUBMITTED TEXT	19 WORDS	84% MATCHING TEXT	19 WORDS
<p>the Railway Budget and the General Budget is presented. The Railway Budget was separated from the General Budget in 1921.</p> <p>SA Public financial administration.docx (D166323443)</p>				
137/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
138/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>OBJECTIVES After going through this unit, you will be able to: • Understand the</p>		
139/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the</p> <p>SA CC-PA-10.pdf (D164996485)</p>				

140/536	SUBMITTED TEXT	143 WORDS	93% MATCHING TEXT	143 WORDS
<p>OF BUDGET The budgets can be of different types. Their classification being based on certain principles which are: ?The estimated period to be covered ?The number of budgets that are to be announced in legislature ?The kind of method to be adopted ?The financial position which is depicted through the budget ?The classification of revenues and expenditures Hence, on the foundation of the above mentioned principles we can propose five types of budgets illustrated in Figure 3.1. Fig. 3.1 Types of Budgets Process of Long-term Budgeting Public budgeting usually is, and has been, annual. The legislature can, thus, have a closer look and can control governmental activities. This in no way means that the government does not want or needs to take a look into the future planning and, therefore, the annual budget has to be proposed with a vision for the future. Long- term budgeting is imperative. So in reality long term budgeting is not an actual</p>		<p>of Budgets The budgets can be of different types. Their classification being based on certain principles which are: Self-Instructional 150 Material Public Corporations and Financial Administration NOTES • The estimated period to be covered • The numbers of budget that are to be announced in legislature • The kind of method to be adopted • The financial position which is depicted through the budget • The classification of revenues and expenditures Hence, on the foundation of the above mentioned principles we can propose five types of budgets illustrated in Figure 3.1. Fig. 3.1 Types of Budgets The process of long-term budgeting Public budgeting usually is, and has been, annual. The legislature can, thus, have a closer look and can control governmental activities. This in no way means that the government does not want or needs to take a look into the future planning and, therefore, the annual budget has to be proposed with a vision for the future. Long-term budgeting is imperative. So in reality long term budgeting is not an actual</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

141/536	SUBMITTED TEXT	117 WORDS	100% MATCHING TEXT	117 WORDS
<p>budget for a certain time period but a process of making provisions for the future and making annual budgets accordingly. This process includes the following steps: ? Determining and estimating the requirements of the nation, for the coming years and a plan to meet those requirements. ? Exploring the sources of raising revenue-taxation, borrowing, savings, etc. ?Preparing a program that is balanced as well as one which contains all the features mentioned and required for development in the proposed period. Also, the program should be flexible so that modifications can be made accordingly. ? Implementation of improvement projects ?Incorporating a portion of long-term budget within the annual budget and getting it passed through the legislature. Single Budgets vs. Plural Budgets In most countries, the method of preparing a single budget is used.</p>		<p>budget for a certain time period but a process of making provisions for the future and making annual budgets accordingly. This process includes the following steps: • Determining and estimating the requirements of the nation, for the coming years and a plan to meet those requirements. • Exploring the sources of raising revenue-taxation, borrowing, savings, etc. • Preparing a program that is balanced as well as one which contains all the features mentioned and required for development in the proposed period. Also, the program should be flexible so that modifications can be made accordingly. • Implementation of improvement projects • Incorporating a portion of long-term budget within the annual budget and getting it passed through the legislature. Single budgets vs. Plural budgets In most countries the method of preparing a single budget is used.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

142/536	SUBMITTED TEXT	14 WORDS	100% MATCHING TEXT	14 WORDS
<p>single budget is made where all the estimates regarding all the departments get covered.</p>		<p>single budget is made where all the estimates regarding all the departments get covered.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

143/536	SUBMITTED TEXT	116 WORDS	100% MATCHING TEXT	116 WORDS
<p>This also makes the job of the government easier as the government knows beforehand the surplus and deficits of all the departments and thus can make necessary adjustments, balancing the whole budget. This saves the government from complex adjustments and calculation to be performed at a later stage. This system is used in Germany, Switzerland, to name two. India, however, has the method of plural budgets as two budgets are prepared. The two departments for which these budgets are made separately are: ?Administrative departments ? Commercial enterprises In India, making a separate budget for the Railways was in practice since 1921. This was initiated on the recommendations of the Acworth Committee. Another example is the budget for Damodar Valley Corporation which is laid before the legislatures of Bengal and Bihar.</p>		<p>This also makes the job of the government easier as the government knows beforehand the surplus and deficits of all the departments and thus can make necessary adjustments, balancing the whole budget. This saves the government from complex adjustments and calculation to be performed at a later stage. This system is used in Germany, Switzerland, to name two. India however has the method of plural budgets as two budgets are prepared. The two departments for which these budgets are made separately are: • Administrative departments • Commercial enterprises In India, making a separate budget for the Railways was in practice since 1921. This was initiated on the recommendations of the Acworth Committee. Another example is the budget for Damodar Valley Corporation which is laid before the legislatures of Bengal and Bihar.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

144/536	SUBMITTED TEXT	36 WORDS	100% MATCHING TEXT	36 WORDS
<p>Surplus, Deficit and Balanced budgets If the approximate revenues are over the approximate expenditure, the budget is called a surplus budget. Similarly, a deficit budget is one where the expected expenditure is in excess of the revenues approximated.</p>		<p>Surplus, Deficit and Balanced budgets If the approximate revenues are over the approximate expenditure, the budget is called a surplus budget. Similarly, a deficit budget is one where the expected expenditure is in excess of the revenues approximated.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

145/536	SUBMITTED TEXT	34 WORDS	91% MATCHING TEXT	34 WORDS
<p>deficit budget shows that the country is progressing in the right direction. When the approximate revenues and expenditures are almost equal and at par, it is called a balanced budget. Usually, all budgets are deficit.</p>		<p>deficit budget shows that the country is progressing in the right direction as the economists have pointed out. When the approximate revenues and expenditures are almost equal and at par, it is called a balanced budget. Usually, all budgets are deficit.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

146/536	SUBMITTED TEXT	146 WORDS	100% MATCHING TEXT	146 WORDS
<p>Departmental Budgets/Performance Budgets In a departmental budget, the expenditures as well as the revenues concerned under it are collected under one roof. In the case of Performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project. For instance, if there is a project regarding education, the division could be on the basis of primary, secondary and high. Cash Budgets/Revenue Budgets In cash budgets, there is an estimate of various forms and expenditures and incomes on the basis of amount that is to be spent or received in one year. In case of revenue budget, the amounts are attributed in the budget whether or not they actually spent or received in the form of expenditure and revenues in one single year. Cash budgets are prepared in countries like India and USA. Cash budgeting is done in countries like France along with other continental nations.</p>		<p>Departmental Budgets/Performance Budgets In a departmental budget the expenditures as well as the revenues concerned under it are collected under one roof. In the case of Performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project. For instance, if there is a project regarding education, the division could be on the basis of primary, secondary and high. Cash Budgets/Revenue Budgets In cash budgets there is an estimate of various forms and expenditures and incomes on the basis of amount that is to be spent or received in one year. In case of revenue budget the amounts are attributed in the budget whether or not they actually spent or received in the form of expenditure and revenues in one single year. Cash budgets are prepared in countries like India and USA. Cash budgeting is done in countries like France along with other continental nations.</p> <p>3.4.2</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
147/536	SUBMITTED TEXT	14 WORDS	100% MATCHING TEXT	14 WORDS
<p>there is no single budget for the entire country. States have their own budgets,</p>		<p>There is no single budget for the entire country; States have their own budgets,</p>		
<p>W http://www.jeywin.com/wp-content/uploads/2010/03/Optional-Public-Administration-8-Financial-Admin...</p>				
148/536	SUBMITTED TEXT	11 WORDS	87% MATCHING TEXT	11 WORDS
<p>Constitution is federal. Even at the Union level, there are two budgets.</p>		<p>Constitution being federal. Even at the Union level, there are two budgets — (</p>		
<p>W http://www.jeywin.com/wp-content/uploads/2010/03/Optional-Public-Administration-8-Financial-Admin...</p>				
149/536	SUBMITTED TEXT	27 WORDS	72% MATCHING TEXT	27 WORDS
<p>the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements,</p>		<p>the following documents: Key to Budget, Annual Financial Statement, Budget at a Glance, Finance Bill, Memorandum, Receipt Budget, Expenditure Budget Vol I and Customs and Central Excise Notifications, Implementation of Budget Announcements,</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700...</p>				

150/536	SUBMITTED TEXT	27 WORDS	72% MATCHING TEXT	27 WORDS
<p>the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements,</p>		<p>the following documents: Key to Budget, Annual Financial Statement, Budget at a Glance, Finance Bill, Memorandum, Receipt Budget, Expenditure Budget Vol I and Customs and Central Excise Notifications, Implementation of Budget Announcements,</p>		
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
151/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The</p>		<p>the Medium-term Fiscal Policy Statement, the Fiscal Policy Strategy Statement and the</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April027002 ...</p>				
152/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The</p>		<p>the Medium-term Fiscal Policy Statement, the Fiscal Policy Strategy Statement and the</p>		
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
153/536	SUBMITTED TEXT	23 WORDS	57% MATCHING TEXT	23 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the various principles of budget ?Discuss the different types of a budget ?Examine the</p>		<p>and (ii) Railway Budget. The Railway budget was separated from the General budget in 1921. The advantages this arrangement is, first, that a business approach to the railway policy is facilitated, and, secondly, the railways after paying a fixed annual contribution to the general revenue of the country, can keep their profit for their own development.</p>		
<p>SA Public financial administration.docx (D166323443)</p>				
154/536	SUBMITTED TEXT	52 WORDS	91% MATCHING TEXT	52 WORDS
<p>and The Outcome Budget. The Railway Budget was separated from the General Budget in 1921. The advantage of this arrangement is, first, that a business approach to the railway policy is facilitated, and, secondly, the railways, after paying a fixed annual contribution to the general revenue of the country, can keep their profits for their own development.</p>		<p>and (ii) Railway Budget. The Railway budget was separated from the General budget in 1921. The advantages this arrangement is, first, that a business approach to the railway policy is facilitated, and, secondly, the railways after paying a fixed annual contribution to the general revenue of the country, can keep their profit for their own development.</p>		
<p>W http://www.jeywin.com/wp-content/uploads/2010/03/Optional-Public-Administration-8-Financial-Admin ...</p>				

155/536	SUBMITTED TEXT	208 WORDS	94% MATCHING TEXT	208 WORDS
<p>Preparation It may be mentioned that there is no single budget for the entire country. States have their own budgets, as the Indian Constitution is federal. Even at the Union level, there are two budgets. Types of Union Budget (i) General Budget (ii) Railway Budget General budget is one of the greatest democratic instruments of growth. It helps bridge the economic disparities among different communities and sectors and helps take a step forward towards a more inclusive development. It contains the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements, The Macro Economic Framework Statement, The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The Outcome Budget. The Railway Budget was separated from the General Budget in 1921. The advantage of this arrangement is, first, that a business approach to the railway policy is facilitated, and, secondly, the railways, after paying a fixed annual contribution to the general revenue of the country, can keep their profits for their own development. The separation of the railway budget from the general budget is justified by India's Railway Board on Railways for 1924–25. The Board observes: The new procedure (the separation of railway finance from the general finances) has already resulted in a definite improvement in the railway outlook, Types and</p>		<p>PREPARATION It may be mentioned that there is no single budget for the entire country. States have their own budgets, as the Indian Constitution is federal. Even at the Union level, there are two budgets. 3.5.1 Types of Budget (i) The General Budget (ii) The Railway Budget. The general budget is one of the greatest democratic instruments of growth. It helps bridge the economic disparities among different communities and sectors and helps take a step forward towards a more inclusive development. It the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements, The Macro Economic Framework Statement, The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The Outcome Budget. The Railway Budget was separated from the General Budget in 1921. The advantage of this arrangement is, first, that a business approach to the railway policy is facilitated, and, secondly, the railways, after paying a fixed annual contribution to the general revenue of the country, can keep their profits for their own development. The separation of the railway budget from the general budget is justified by India's Railway Board on Railways for 1924–25. The Board observes: Self-Instructional 168 Material Public Corporations and Financial Administration NOTES The new procedure (the separation of railway finance from the general finances) has already resulted in a definite improvement in the railway outlook, and</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

156/536	SUBMITTED TEXT	88 WORDS	100% MATCHING TEXT	88 WORDS
<p>and while the general revenues are now assured of a stable annual return from railway, the Railway Board is enabled to carry out a continuous policy of improvements based on upon the responsibility for obtaining a fixed dividend coupled with an assurance of adequate funds for any operation which will secure such dividend. They have the further security that surpluses will be available for railway purposes and particularly for building up reserves and a depreciation fund. The institution of a separate railway budget enabled the railways to develop a coherent railway policy in the country.</p>		<p>and while the general revenues are now assured of a stable annual return from railway, the Railway Board is enabled to carry out a continuous policy of improvements based on upon the responsibility for obtaining a fixed dividend coupled with an assurance of adequate funds for any operation which will secure such dividend. They have the further security that surpluses will be available for railway purposes and particularly for building up reserves and a depreciation fund. The institution of a separate railway budget enabled the railways to develop a coherent railway policy in the country. 3.5.2</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

157/536	SUBMITTED TEXT	17 WORDS	79% MATCHING TEXT	17 WORDS
<p>and The Outcome Budget. The Railway Budget was separated from the General Budget in 1921. The advantage of</p>				
<p>SA Public financial administration.docx (D166323443)</p>				

158/536	SUBMITTED TEXT	25 WORDS	100% MATCHING TEXT	25 WORDS
<p>performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project. 6.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>Performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project.</p>		
159/536	SUBMITTED TEXT	27 WORDS	72% MATCHING TEXT	27 WORDS
<p>the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements,</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>the following documents: Key to Budget, Annual Financial Statement, Budget at a Glance, Finance Bill, Memorandum, Receipt Budget, Expenditure Budget Vol I and Customs and Central Excise Notifications, Implementation of Budget Announcements,</p>		
160/536	SUBMITTED TEXT	27 WORDS	72% MATCHING TEXT	27 WORDS
<p>the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements,</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>the following documents: Key to Budget, Annual Financial Statement, Budget at a Glance, Finance Bill, Memorandum, Receipt Budget, Expenditure Budget Vol I and Customs and Central Excise Notifications, Implementation of Budget Announcements,</p>		
161/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>the Medium-term Fiscal Policy Statement, the Fiscal Policy Strategy Statement and the</p>		
162/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>the Medium-term Fiscal Policy Statement, the Fiscal Policy Strategy Statement and the</p>		
163/536	SUBMITTED TEXT	15 WORDS	93% MATCHING TEXT	15 WORDS
<p>The Railway Budget separated from the General Budget on the recommendation of the Acworth Committee. 5.</p> <p>SA Public financial administration.docx (D166323443)</p>				

164/536	SUBMITTED TEXT	57 WORDS	100% MATCHING TEXT	57 WORDS
<p>contains the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements, The Macro Economic Framework Statement, The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The Outcome Budget. 7. The Railway Budget was separated from the General Budget in 1921.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>contains the following documents: Key to Budget, Budget Highlights, Budget Speech, Budget at a Glance, Finance Bill Memorandum Receipt, Budget Expenditure, Budget Customs and Central Excise Implementation of Budget Announcements, The Macro Economic Framework Statement, The Medium Term Fiscal Policy Statement, The Fiscal Policy Strategy Statement and The Outcome Budget. The Railway Budget was separated from the General Budget in 1921.</p>		
165/536	SUBMITTED TEXT	25 WORDS	100% MATCHING TEXT	25 WORDS
<p>Long term budgeting is not an actual budget for a certain time period but a process of making provisions for the future and making annual budgets accordingly. ?</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>long term budgeting is not an actual budget for a certain time period but a process of making provisions for the future and making annual budgets accordingly.</p>		
166/536	SUBMITTED TEXT	26 WORDS	100% MATCHING TEXT	26 WORDS
<p>In most countries, the method of preparing a single budget is used. One single budget is made where all the estimates regarding all the departments get covered.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>In most countries the method of preparing a single budget is used. One single budget is made where all the estimates regarding all the departments get covered.</p>		
167/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>however, has the method of plural budgets as two budgets are prepared. ?</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>however has the method of plural budgets as two budgets are prepared.</p>		
168/536	SUBMITTED TEXT	23 WORDS	100% MATCHING TEXT	23 WORDS
<p>If the approximate revenues are over the approximate expenditure, the budget is called a surplus budget. Similarly, a deficit budget is one where</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>If the approximate revenues are over the approximate expenditure, the budget is called a surplus budget. Similarly, a deficit budget is where</p>		
169/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>the expected expenditure is in excess of the revenues approximated.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>the expected expenditure is in excess of the revenues approximated.</p>		

170/536	SUBMITTED TEXT	60 WORDS	93% MATCHING TEXT	60 WORDS
<p>When the approximate revenues and expenditures are almost equal and at par, it is called a balanced budget. ?In a departmental budget, the expenditures as well as the revenues concerned under it are collected under one roof. In the case of Performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project. ?</p>		<p>When the approximate revenues and expenditures are almost equal and at par, it is called a balanced budget. Usually, all budgets are deficit. Departmental Budgets/Performance Budgets In a departmental budget the expenditures as well as the revenues concerned under it are collected under one roof. In the case of Performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
171/536	SUBMITTED TEXT	56 WORDS	97% MATCHING TEXT	56 WORDS
<p>In cash budgets there is an estimate of various forms and expenditures and incomes on the basis of amount that is to be spent or received in one year. In case of revenue budget the amounts are attributed in the budget whether or not they actually spent or received in the form of expenditure and revenues in a single year. ?</p>		<p>In cash budgets there is an estimate of various forms and expenditures and incomes on the basis of amount that is to be spent or received in one year. In case of revenue budget the amounts are attributed in the budget whether or not they actually spent or received in the form of expenditure and revenues in one single year.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
172/536	SUBMITTED TEXT	17 WORDS	94% MATCHING TEXT	17 WORDS
<p>If the approximate revenues are over the approximate expenditure, the budget is called a surplus budget. ?Deficit budget:</p>		<p>If the approximate revenues are over the approximate expenditure, the budget is called a surplus budget. Similarly, a deficit budget</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
173/536	SUBMITTED TEXT	12 WORDS	88% MATCHING TEXT	12 WORDS
<p>a budget where the expected expenditure is in excess of the revenues approximated. ?</p>		<p>a deficit budget is one where the expected expenditure is in excess of the revenues approximated.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
174/536	SUBMITTED TEXT	25 WORDS	100% MATCHING TEXT	25 WORDS
<p>performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project. 3.7</p>		<p>Performance budget, the budget proposed for any particular project gets divided under various programs on the basis of activities and functions related to that particular project.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
175/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				

176/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p>		<p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
177/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				
178/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p>				
<p>SA Public financial administration.docx (D166323443)</p>				
179/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
180/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				
181/536	SUBMITTED TEXT	14 WORDS	100% MATCHING TEXT	14 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the concept of</p>		<p>OBJECTIVES After going through this unit, you will be able to: • Understand the concept of</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
182/536	SUBMITTED TEXT	14 WORDS	90% MATCHING TEXT	14 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the concept of</p>				
<p>SA Public financial administration.docx (D166323443)</p>				

183/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
184/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p> <p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
185/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
186/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
187/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
188/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
189/536	SUBMITTED TEXT	15 WORDS	96% MATCHING TEXT	15 WORDS
<p>Zero based budgeting is a method of budgeting in which all expenses must be justified</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

190/536	SUBMITTED TEXT	15 WORDS	96% MATCHING TEXT	15 WORDS
Zero based budgeting is a method of budgeting in which all expenses must be justified				
SA CC-PA-10.pdf (D164996485)				
191/536	SUBMITTED TEXT	14 WORDS	100% MATCHING TEXT	14 WORDS
OBJECTIVES After going through this unit, you will be able to : ? Understand the meaning of				
SA Public financial administration.docx (D166323443)				
192/536	SUBMITTED TEXT	15 WORDS	100% MATCHING TEXT	15 WORDS
Zero-based budgeting: It is a method of budgeting in which all expenses must be justified				
SA CC-PA-10.pdf (D165362592)				
193/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
QUESTIONS AND EXERCISES Short-Answer Questions 1. Write a short note on the				
W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf				
194/536	SUBMITTED TEXT	15 WORDS	100% MATCHING TEXT	15 WORDS
Zero-based budgeting: It is a method of budgeting in which all expenses must be justified				
SA CC-PA-10.pdf (D164996485)				
195/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.				
SA CC-PA-10.pdf (D165362592)				
196/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.				
W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf				
197/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.				
SA CC-PA-10.pdf (D164996485)				

198/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
199/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
200/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
201/536	SUBMITTED TEXT	15 WORDS	85% MATCHING TEXT	15 WORDS
<p>by each ministry/department covering all demands/appropriations controlled by them, except those exempted from this requirement.</p> <p>by each Ministry/Department in respect of all Demands/Appropriations controlled by them, except those exempted from this requirement.</p> <p>W https://www.indiabudget.gov.in/budget_archive/ub2010-11/keybud/keybud2010.htm</p>				
202/536	SUBMITTED TEXT	14 WORDS	100% MATCHING TEXT	14 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the meaning of</p> <p>SA Public financial administration.docx (D166323443)</p>				
203/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
204/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p> <p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

205/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
206/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
207/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
208/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
209/536	SUBMITTED TEXT	13 WORDS	89% MATCHING TEXT	13 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand how the</p> <p>SA Public financial administration.docx (D166323443)</p>				
210/536	SUBMITTED TEXT	13 WORDS	89% MATCHING TEXT	13 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand how the</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
211/536	SUBMITTED TEXT	13 WORDS	89% MATCHING TEXT	13 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand how the</p> <p>OBJECTIVES After going through this unit, you will be able to: • Understand the</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

212/536	SUBMITTED TEXT	13 WORDS	87% MATCHING TEXT	13 WORDS
revised estimates for the current year and the budget estimates for the		revised estimates for the ongoing year and the budget estimates for the		
W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...				
213/536	SUBMITTED TEXT	13 WORDS	89% MATCHING TEXT	13 WORDS
OBJECTIVES After going through this unit, you will be able to: ? Understand how the				
SA CC-PA-10.pdf (D164996485)				
214/536	SUBMITTED TEXT	13 WORDS	87% MATCHING TEXT	13 WORDS
revised estimates for the current year and the budget estimates for the		revised estimates for the ongoing year and the budget estimates for the		
W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...				
215/536	SUBMITTED TEXT	16 WORDS	81% MATCHING TEXT	16 WORDS
administered by the Central Board of Direct Taxes (CBDT) and Central Board of Excise and Customs (administered by the Central Board of Direct Taxes (Income Tax Act) and the Central Board of Excise and Customs (
W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...				
216/536	SUBMITTED TEXT	16 WORDS	81% MATCHING TEXT	16 WORDS
administered by the Central Board of Direct Taxes (CBDT) and Central Board of Excise and Customs (administered by the Central Board of Direct Taxes (Income Tax Act) and the Central Board of Excise and Customs (
W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...				
217/536	SUBMITTED TEXT	12 WORDS	91% MATCHING TEXT	12 WORDS
central board of excise and customs and central board of direct taxes.		Central Board of Excise and Customs (CBEC) and the Central Board of Direct Taxes (
W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf				
218/536	SUBMITTED TEXT	15 WORDS	62% MATCHING TEXT	15 WORDS
the Constitution of India, annual financial statement shall distinguish expenditure on revenue account from other expenditure.		the Constitution, Annual Financial Statement distinguishes expenditure on revenue account from other expenditure.		
W https://www.indiabudget.gov.in/budget_archive/ub2010-11/keybud/keybud2010.htm				

219/536	SUBMITTED TEXT	12 WORDS	87% MATCHING TEXT	12 WORDS
<p>for the ensuing year. On the basis of the revised estimates of</p>		<p>for the ensuing financial year are proposed on the basis of: (i) the revised estimates of</p>		
<p>W https://www.egyankosh.ac.in/bitstream/123456789/76662/1/Unit-5.pdf</p>				
220/536	SUBMITTED TEXT	28 WORDS	40% MATCHING TEXT	28 WORDS
<p>The Budget is prepared by the Budget Division in the Ministry of Finance. 2. The budget circular is issued in the month of September each year. 3. The budget</p>		<p>The budget is prepared by the Budget Division Department of Economic Affairs of the Ministry of Finance The Finance Minister is the head of the budget</p>		
<p>W https://en.wikipedia.org/wiki/Budget</p>				
221/536	SUBMITTED TEXT	12 WORDS	87% MATCHING TEXT	12 WORDS
<p>revised estimates for the current year and the budget estimates for the</p>		<p>revised estimates for the ongoing year and the budget estimates for the</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
222/536	SUBMITTED TEXT	12 WORDS	87% MATCHING TEXT	12 WORDS
<p>revised estimates for the current year and the budget estimates for the</p>		<p>revised estimates for the ongoing year and the budget estimates for the</p>		
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
223/536	SUBMITTED TEXT	12 WORDS	87% MATCHING TEXT	12 WORDS
<p>revised estimates for the current year and the budget estimates for the</p>		<p>revised estimates for the ongoing year and the budget estimates for the</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
224/536	SUBMITTED TEXT	12 WORDS	87% MATCHING TEXT	12 WORDS
<p>revised estimates for the current year and the budget estimates for the</p>		<p>revised estimates for the ongoing year and the budget estimates for the</p>		
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
225/536	SUBMITTED TEXT	12 WORDS	87% MATCHING TEXT	12 WORDS
<p>for the ensuing year. On the basis of the revised estimates of</p>		<p>for the ensuing financial year are proposed on the basis of: (i) the revised estimates of</p>		
<p>W https://www.egyankosh.ac.in/bitstream/123456789/76662/1/Unit-5.pdf</p>				

226/536	SUBMITTED TEXT	9 WORDS	100% MATCHING TEXT	9 WORDS
<p>QUESTIONS AND EXERCISES Short-Answer Questions 1. Write a short note on</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>QUESTIONS AND EXERCISES Short-Answer Questions 1. Write a short note on</p>		
227/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
228/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p>		
229/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
230/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
231/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
232/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				

233/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>not only that the total expenditure is kept within the limits of</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>not only that the total expenditure is kept within the limits of</p>		
234/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>not only that the total expenditure is kept within the limits of</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>not only that the total expenditure is kept within the limits of</p>		
235/536	SUBMITTED TEXT	25 WORDS	92% MATCHING TEXT	25 WORDS
<p>authorized grants but also that the funds allotted to spending units are expended in the public interest and on objects for which the money was provided. In</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>authorized grants, but also that the funds allotted to the spending units are expended in the public interest and upon objects for which the money was provided. 10. In</p>		
236/536	SUBMITTED TEXT	25 WORDS	92% MATCHING TEXT	25 WORDS
<p>authorized grants but also that the funds allotted to spending units are expended in the public interest and on objects for which the money was provided. In</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>authorized grants, but also that the funds allotted to the spending units are expended in the public interest and upon objects for which the money was provided. 10. In</p>		
237/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>but also what commitments and liabilities have been and will be incurred against</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>but also what commitments and liabilities have been and will be incurred against</p>		
238/536	SUBMITTED TEXT	20 WORDS	65% MATCHING TEXT	20 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the execution of the budget process ?Discuss the concepts of</p> <p>SA Public financial administration.docx (D166323443)</p>				
239/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>but also what commitments and liabilities have been and will be incurred against</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>but also what commitments and liabilities have been and will be incurred against</p>		

240/536	SUBMITTED TEXT	50 WORDS	89% MATCHING TEXT	50 WORDS
<p>controlling officer must satisfy himself that adequate provisions exist within the departmental organization for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of his subordinate officers and to guard against waste and loss of public money and stores, to ensure that the prescribed checks are effectively applied.</p>		<p>Controlling Officer must satisfy himself not only that adequate provisions exist within the departmental organization for systemic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of his subordinate officers and to guard against waste and loss of public money and stores, but that the prescribed checks are effectively applied. 11.</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
241/536	SUBMITTED TEXT	50 WORDS	89% MATCHING TEXT	50 WORDS
<p>controlling officer must satisfy himself that adequate provisions exist within the departmental organization for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of his subordinate officers and to guard against waste and loss of public money and stores, to ensure that the prescribed checks are effectively applied.</p>		<p>Controlling Officer must satisfy himself not only that adequate provisions exist within the departmental organization for systemic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of his subordinate officers and to guard against waste and loss of public money and stores, but that the prescribed checks are effectively applied. 11.</p>		
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
242/536	SUBMITTED TEXT	18 WORDS	72% MATCHING TEXT	18 WORDS
<p>On the third day of each month, a copy of the entries made in this register during the</p>				
<p>SA Public financial administration.docx (D166323443)</p>				
243/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>at his disposal up to the end of the preceding month. ?</p>				
<p>SA Public financial administration.docx (D166323443)</p>				
244/536	SUBMITTED TEXT	27 WORDS	98% MATCHING TEXT	27 WORDS
<p>include shifts in government spending, changes in the competitive environment, globalization, presence of shadow economies, fraud in government programs, role of multinationals, and income distribution that affects private consumption expenditures.</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
245/536	SUBMITTED TEXT	15 WORDS	90% MATCHING TEXT	15 WORDS
<p>but also what commitments and liabilities have been and will be incurred against them. 3. The</p>		<p>but also what commitments and liabilities have been and will be incurred against the</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				

246/536	SUBMITTED TEXT	15 WORDS	90% MATCHING TEXT	15 WORDS
<p>but also what commitments and liabilities have been and will be incurred against them. 3. The</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>but also what commitments and liabilities have been and will be incurred against the</p>		
247/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>not only that the total expenditure is kept within the limits of</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>not only that the total expenditure is kept within the limits of</p>		
248/536	SUBMITTED TEXT	27 WORDS	98% MATCHING TEXT	27 WORDS
<p>include shifts in government spending, changes in the competitive environment, globalization, presence of shadow economies, fraud in government programs, role of multinationals, and income distribution that affects private consumption expenditures.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
249/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>not only that the total expenditure is kept within the limits of</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>not only that the total expenditure is kept within the limits of</p>		
250/536	SUBMITTED TEXT	24 WORDS	92% MATCHING TEXT	24 WORDS
<p>authorized grants but also that the funds allotted to spending units are expended in the public interest and on objects for which the money was provided. ?</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>authorized grants, but also that the funds allotted to the spending units are expended in the public interest and upon objects for which the money was provided. 10.</p>		
251/536	SUBMITTED TEXT	24 WORDS	92% MATCHING TEXT	24 WORDS
<p>authorized grants but also that the funds allotted to spending units are expended in the public interest and on objects for which the money was provided. ?</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>authorized grants, but also that the funds allotted to the spending units are expended in the public interest and upon objects for which the money was provided. 10.</p>		
252/536	SUBMITTED TEXT	27 WORDS	98% MATCHING TEXT	27 WORDS
<p>include shifts in government spending, changes in the competitive environment, globalization, presence of shadow economies, fraud in government programs, role of multinationals, and income distribution that affects private consumption expenditures. ?</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

253/536	SUBMITTED TEXT	27 WORDS	98% MATCHING TEXT	27 WORDS
<p>include shifts in government spending, changes in the competitive environment, globalization, presence of shadow economies, fraud in government programs, role of multinationals, and income distribution that affects private consumption expenditures. ?</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
254/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
255/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p> <p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
256/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
257/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
258/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

259/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
260/536	SUBMITTED TEXT	14 WORDS	100% MATCHING TEXT	14 WORDS
<p>OBJECTIVES After going through this unit, you will be able to : ? Understand the concept of</p> <p>OBJECTIVES After going through this unit, you will be able to : • Understand the concept of</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
261/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>QUESTIONS AND EXERCISES Short-Answer Questions 1. Write a short note on the</p> <p>QUESTIONS AND EXERCISES Short-Answer Questions 1. Write a short note on the</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
262/536	SUBMITTED TEXT	14 WORDS	90% MATCHING TEXT	14 WORDS
<p>OBJECTIVES After going through this unit, you will be able to : ? Understand the concept of</p> <p>SA Public financial administration.docx (D166323443)</p>				
263/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
264/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p> <p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
265/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				

266/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
267/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
268/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
269/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the</p> <p>OBJECTIVES After going through this unit, you will be able to: • Understand the</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
270/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the</p> <p>SA Public financial administration.docx (D166323443)</p>				
271/536	SUBMITTED TEXT	17 WORDS	75% MATCHING TEXT	17 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the composition, power and functions of</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
272/536	SUBMITTED TEXT	17 WORDS	75% MATCHING TEXT	17 WORDS
<p>appointed by the Speaker from among the Members of Lok Sabha elected to the Committee. The Minister of</p> <p>appointed by the Speaker from amongst the members of the Lok Sabha elected to the committee as per the norms of</p> <p>W https://budgetbasics.openbudgetsindia.org/auditing-of-budget</p>				

273/536	SUBMITTED TEXT	13 WORDS	96% MATCHING TEXT	13 WORDS
<p>Rule 309(i) of the Rules of Procedure and Conduct of Business in Lok Sabha.</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>Rule 305 of the Rules of Procedure and Conduct of Business in Lok Sabha.</p>		
274/536	SUBMITTED TEXT	13 WORDS	96% MATCHING TEXT	13 WORDS
<p>Rule 309(i) of the Rules of Procedure and Conduct of Business in Lok Sabha.</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>Rule 305 of the Rules of Procedure and Conduct of Business in Lok Sabha.</p>		
275/536	SUBMITTED TEXT	14 WORDS	96% MATCHING TEXT	14 WORDS
<p>Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha.</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>Rule 305 of the Rules of Procedure and Conduct of Business in Lok Sabha.</p>		
276/536	SUBMITTED TEXT	14 WORDS	96% MATCHING TEXT	14 WORDS
<p>Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha.</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>Rule 305 of the Rules of Procedure and Conduct of Business in Lok Sabha.</p>		
277/536	SUBMITTED TEXT	17 WORDS	75% MATCHING TEXT	17 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the composition, power and functions of</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
278/536	SUBMITTED TEXT	15 WORDS	96% MATCHING TEXT	15 WORDS
<p>Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha. The</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
279/536	SUBMITTED TEXT	15 WORDS	96% MATCHING TEXT	15 WORDS
<p>Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha. The</p> <p>SA CC-PA-10.pdf (D164996485)</p>				

280/536	SUBMITTED TEXT	24 WORDS	100% MATCHING TEXT	24 WORDS
<p>of 15 members elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
281/536	SUBMITTED TEXT	17 WORDS	100% MATCHING TEXT	17 WORDS
<p>The Chairman of the Committee is appointed by the Speaker from amongst the members of the Committee</p> <p>The Chairman of the Committee is appointed by the Speaker from amongst the members of the Committee. 37.</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
282/536	SUBMITTED TEXT	17 WORDS	100% MATCHING TEXT	17 WORDS
<p>The Chairman of the Committee is appointed by the Speaker from amongst the members of the Committee</p> <p>The Chairman of the Committee is appointed by the Speaker from amongst the members of the Committee.37.</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
283/536	SUBMITTED TEXT	14 WORDS	96% MATCHING TEXT	14 WORDS
<p>Rule 308(1) of the Rules of Procedure and Conduct of Business in Lok Sabha,</p> <p>Rule 305of the Rules of Procedure and Conduct of Business in Lok Sabha.</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
284/536	SUBMITTED TEXT	24 WORDS	100% MATCHING TEXT	24 WORDS
<p>of 15 members elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
285/536	SUBMITTED TEXT	14 WORDS	96% MATCHING TEXT	14 WORDS
<p>Rule 308(1) of the Rules of Procedure and Conduct of Business in Lok Sabha,</p> <p>Rule 305of the Rules of Procedure and Conduct of Business in Lok Sabha.</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				

286/536	SUBMITTED TEXT	16 WORDS	70% MATCHING TEXT	16 WORDS
<p>accounts showing the appropriation of sums granted by Parliament for the expenditure of the Government of India,</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
287/536	SUBMITTED TEXT	16 WORDS	73% MATCHING TEXT	16 WORDS
<p>of the Government of India and the Report of the Comptroller & Auditor General of India</p>				
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
288/536	SUBMITTED TEXT	16 WORDS	73% MATCHING TEXT	16 WORDS
<p>of the Government of India and the Report of the Comptroller & Auditor General of India</p>				
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
289/536	SUBMITTED TEXT	37 WORDS	92% MATCHING TEXT	37 WORDS
<p>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;</p>				
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
290/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>that the expenditure conforms to the authority which governs it; and (</p>				
<p>W https://budgetbasics.openbudgetsindia.org/auditing-of-budget</p>				
291/536	SUBMITTED TEXT	16 WORDS	70% MATCHING TEXT	16 WORDS
<p>accounts showing the appropriation of sums granted by Parliament for the expenditure of the Government of India,</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				

292/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>appropriation has been made in accordance with the provisions made in this behalf</p>				
<p>SA Public financial administration.docx (D166323443)</p>				
293/536	SUBMITTED TEXT	12 WORDS	84% MATCHING TEXT	12 WORDS
<p>income and expenditure of state corporations, trading and manufacturing schemes, concerns and projects</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
294/536	SUBMITTED TEXT	15 WORDS	78% MATCHING TEXT	15 WORDS
<p>by the Comptroller and Auditor General of India either under the directions of the President</p>				
<p>by the Comptroller and Auditor-General of India, with the approval of the President.</p>				
<p>W http://www.jeywin.com/wp-content/uploads/2010/03/Optional-Public-Administration-8-Financial-Admin ...</p>				
295/536	SUBMITTED TEXT	12 WORDS	84% MATCHING TEXT	12 WORDS
<p>income and expenditure of state corporations, trading and manufacturing schemes, concerns and projects</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				
296/536	SUBMITTED TEXT	21 WORDS	61% MATCHING TEXT	21 WORDS
<p>the audit of which may be conducted by the Comptroller and Auditor General of India either under the directions of the President</p>				
<p>the interpretation of these directions may be by the Comptroller and Auditor General of India, with the approval of the President.</p>				
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
297/536	SUBMITTED TEXT	19 WORDS	100% MATCHING TEXT	19 WORDS
<p>If any money has been spent on any service during a financial year in excess of the amount granted</p>				
<p>if any money has been spent on any service during a financial year in excess of the amount granted</p>				
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
298/536	SUBMITTED TEXT	19 WORDS	100% MATCHING TEXT	19 WORDS
<p>If any money has been spent on any service during a financial year in excess of the amount granted</p>				
<p>if any money has been spent on any service during a financial year in excess of the amount granted</p>				
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				

299/536	SUBMITTED TEXT	15 WORDS	78% MATCHING TEXT	15 WORDS
<p>by the Comptroller and Auditor General of India either under the directions of the President</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
300/536	SUBMITTED TEXT	17 WORDS	75% MATCHING TEXT	17 WORDS
<p>The Chairperson of the Committee is appointed by the Speaker from amongst the members elected to the Committee.</p> <p>The Chairman of the Committee is appointed by the Speaker from amongst the members of the Committee. 37.</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
301/536	SUBMITTED TEXT	23 WORDS	100% MATCHING TEXT	23 WORDS
<p>elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
302/536	SUBMITTED TEXT	17 WORDS	75% MATCHING TEXT	17 WORDS
<p>The Chairperson of the Committee is appointed by the Speaker from amongst the members elected to the Committee.</p> <p>The Chairman of the Committee is appointed by the Speaker from amongst the members of the Committee. 37.</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
303/536	SUBMITTED TEXT	17 WORDS	88% MATCHING TEXT	17 WORDS
<p>The Chairperson of the Committee is appointed by the Speaker from amongst the members elected to the Committee.</p> <p>The Chairperson of the committee is appointed by the Speaker from amongst the members of the Lok Sabha elected to the committee</p> <p>W https://budgetbasics.openbudgetsindia.org/auditing-of-budget</p>				
304/536	SUBMITTED TEXT	21 WORDS	78% MATCHING TEXT	21 WORDS
<p>The Committee on Estimates is constituted under Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha</p> <p>The Committee on Papers laid on the Table is constituted under Rule 305of the Rules of Procedure and Conduct of Business in Lok Sabha.</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
305/536	SUBMITTED TEXT	23 WORDS	100% MATCHING TEXT	23 WORDS
<p>elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				

306/536	SUBMITTED TEXT	21 WORDS	78% MATCHING TEXT	21 WORDS
<p>The Committee on Estimates is constituted under Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha</p>		<p>The Committee on Papers laid on the Table is constituted under Rule 305of the Rules of Procedure and Conduct of Business in Lok Sabha.</p>		
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
307/536	SUBMITTED TEXT	75 WORDS	92% MATCHING TEXT	75 WORDS
<p>the Speaker. The functions of the Committee are (a) to report what economies, improvements in organisation, efficiency or administrative reform, consistent with the policy underlying the estimates, may be effected; (b) to suggest alternative policies in order to bring about efficiency and economy in administration; (c) to examine whether the money is well laid out within the limits of the policy implied in the estimates; and (d) to suggest the form in which the estimates shall be presented to Parliament.</p>		<p>the committees. The functions of the Committees Committee on Estimates (to report what economies, improvements in organization, efficiency or administrative reform, consistent with the policy underlying the estimates, may be effected; (b) to suggest alternative policies in order to bring about efficiency and economy in administration; (c) to examine whether the money is well laid out within the limits of the policy implied in the estimates; and (d) to suggest the form in which the estimates shall be presented to Parliament. 60.</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
308/536	SUBMITTED TEXT	75 WORDS	92% MATCHING TEXT	75 WORDS
<p>the Speaker. The functions of the Committee are (a) to report what economies, improvements in organisation, efficiency or administrative reform, consistent with the policy underlying the estimates, may be effected; (b) to suggest alternative policies in order to bring about efficiency and economy in administration; (c) to examine whether the money is well laid out within the limits of the policy implied in the estimates; and (d) to suggest the form in which the estimates shall be presented to Parliament.</p>		<p>the committees. The functions of the Committees are:59. Committee on Estimates to report what economies, improvements in organization, efficiency or administrative reform, consistent with the policy underlying the estimates, may be effected; (b) to suggest alternative policies in order to bring about efficiency and economy in administration; (c) to examine whether the money is well laid out within the limits of the policy implied in the estimates; and (d) to suggest the form in which the estimates shall be presented to Parliament. 60.</p>		
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
309/536	SUBMITTED TEXT	25 WORDS	MATCHING TEXT	25 WORDS
<p>of 15 members elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote</p>		<p>100%</p>		
<p>SA CC-PA-10.pdf (D165362592)</p>				
310/536	SUBMITTED TEXT	13 WORDS	96% MATCHING TEXT	13 WORDS
<p>Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha. ?</p>		<p>Rule 305of the Rules of Procedure and Conduct of Business in Lok Sabha.</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				

311/536	SUBMITTED TEXT	13 WORDS	96% MATCHING TEXT	13 WORDS
<p>Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha. ?</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>Rule 305of the Rules of Procedure and Conduct of Business in Lok Sabha.</p>		
312/536	SUBMITTED TEXT	25 WORDS	100% MATCHING TEXT	25 WORDS
<p>of 15 members elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
313/536	SUBMITTED TEXT	21 WORDS	100% MATCHING TEXT	21 WORDS
<p>elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote. ?</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
314/536	SUBMITTED TEXT	21 WORDS	78% MATCHING TEXT	21 WORDS
<p>The Committee on Estimates is constituted under Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>The Committee on Papers laid on the Table is constituted under Rule 305of the Rules of Procedure and Conduct of Business in Lok Sabha.</p>		
315/536	SUBMITTED TEXT	21 WORDS	78% MATCHING TEXT	21 WORDS
<p>The Committee on Estimates is constituted under Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>The Committee on Papers laid on the Table is constituted under Rule 305of the Rules of Procedure and Conduct of Business in Lok Sabha.</p>		
316/536	SUBMITTED TEXT	21 WORDS	100% MATCHING TEXT	21 WORDS
<p>elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote. ?</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
317/536	SUBMITTED TEXT	47 WORDS	50% MATCHING TEXT	47 WORDS
<p>Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha for examination of such of the estimates as may seem fit to the Committee or are specifically referred to it by the House or the Speaker. ?The examination by the Committee of the estimates for the</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

318/536	SUBMITTED TEXT	47 WORDS	50% MATCHING TEXT	47 WORDS
<p>Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha for examination of such of the estimates as may seem fit to the Committee or are specifically referred to it by the House or the Speaker. ?The examination by the Committee of the estimates for the</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
319/536	SUBMITTED TEXT	32 WORDS	87% MATCHING TEXT	32 WORDS
<p>Public Accounts Committee : It is a committee of selected members of parliament, constituted by the Parliament of India, for the purpose of auditing the revenue and the expenditure of the Government of India. ?</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
320/536	SUBMITTED TEXT	32 WORDS	87% MATCHING TEXT	32 WORDS
<p>Public Accounts Committee : It is a committee of selected members of parliament, constituted by the Parliament of India, for the purpose of auditing the revenue and the expenditure of the Government of India. ?</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
321/536	SUBMITTED TEXT	25 WORDS	100% MATCHING TEXT	25 WORDS
<p>to audit all receipts and expenditure of the Government of India and the State Governments, including those of autonomous bodies and corporations substantially financed by the Government. 10.7</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
322/536	SUBMITTED TEXT	25 WORDS	100% MATCHING TEXT	25 WORDS
<p>to audit all receipts and expenditure of the Government of India and the State Governments, including those of autonomous bodies and corporations substantially financed by the Government. 10.7</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
323/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

324/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p> <p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
325/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
326/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
327/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
328/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
329/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the</p> <p>SA Public financial administration.docx (D166323443)</p>				
330/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

331/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
332/536	SUBMITTED TEXT	19 WORDS	100% MATCHING TEXT	19 WORDS
<p>concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. The</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
333/536	SUBMITTED TEXT	19 WORDS	100% MATCHING TEXT	19 WORDS
<p>concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. The</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
334/536	SUBMITTED TEXT	19 WORDS	52% MATCHING TEXT	19 WORDS
<p>the union finance secretary. The Ministry comprises of five Departments, namely:— ?Department of Economic Affairs ? Department of Expenditure ?Department of Revenue ? Department of</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
335/536	SUBMITTED TEXT	19 WORDS	52% MATCHING TEXT	19 WORDS
<p>the union finance secretary. The Ministry comprises of five Departments, namely:— ?Department of Economic Affairs ? Department of Expenditure ?Department of Revenue ? Department of</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
336/536	SUBMITTED TEXT	30 WORDS	38% MATCHING TEXT	30 WORDS
<p>Departments, namely:— ?Department of Economic Affairs ? Department of Expenditure ?Department of Revenue ? Department of Investment and Public Asset Management ? Department of Financial Services I. The Department of Economic Affairs It is the nodal agency of the</p> <p>SA Public financial administration.docx (D166323443)</p>				

337/536	SUBMITTED TEXT	15 WORDS	62% MATCHING TEXT	15 WORDS
<p>The Department of Expenditure It is the nodal Department for overseeing the public financial management system</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
338/536	SUBMITTED TEXT	15 WORDS	62% MATCHING TEXT	15 WORDS
<p>The Department of Expenditure It is the nodal Department for overseeing the public financial management system</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
339/536	SUBMITTED TEXT	19 WORDS	85% MATCHING TEXT	19 WORDS
<p>Central) Divisions, Office of Controller General of Accounts, Office of Chief Adviser Cost, and Central Pension Accounting Office. The Department</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
340/536	SUBMITTED TEXT	19 WORDS	85% MATCHING TEXT	19 WORDS
<p>Central) Divisions, Office of Controller General of Accounts, Office of Chief Adviser Cost, and Central Pension Accounting Office. The Department</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
341/536	SUBMITTED TEXT	16 WORDS	65% MATCHING TEXT	16 WORDS
<p>the Central Board of Direct Taxes (CBDT) and the Central Board of Indirect Taxes and Customs (</p> <p>the Central Board of Direct Taxes (Income Tax Act) and the Central Board of Excise and Customs (</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
342/536	SUBMITTED TEXT	22 WORDS	87% MATCHING TEXT	22 WORDS
<p>Revenue). It exercises control in respect of matters relating to all the Direct and Indirect Union Taxes through two statutory Boards namely, the</p> <p>SA Public financial administration.docx (D166323443)</p>				
343/536	SUBMITTED TEXT	27 WORDS	72% MATCHING TEXT	27 WORDS
<p>the Direct and Indirect Union Taxes through two statutory Boards namely, the Central Board of Direct Taxes (CBDT) and the Central Board of Indirect Taxes and Customs (CBIC). Each</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

344/536	SUBMITTED TEXT	27 WORDS	72% MATCHING TEXT	27 WORDS
<p>the Direct and Indirect Union Taxes through two statutory Boards namely, the Central Board of Direct Taxes (CBDT) and the Central Board of Indirect Taxes and Customs (CBIC). Each</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
345/536	SUBMITTED TEXT	18 WORDS	65% MATCHING TEXT	18 WORDS
<p>ex-officio Special Secretary to the Government of India. Matters relating to the levy and collection of all Direct Taxes</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
346/536	SUBMITTED TEXT	18 WORDS	65% MATCHING TEXT	18 WORDS
<p>ex-officio Special Secretary to the Government of India. Matters relating to the levy and collection of all Direct Taxes</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
347/536	SUBMITTED TEXT	22 WORDS	97% MATCHING TEXT	22 WORDS
<p>Mission 1. List CPSEs on stock exchanges to promote people's ownership through public participation and improving efficiencies of CPSEs through accountability to its shareholders.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
348/536	SUBMITTED TEXT	22 WORDS	97% MATCHING TEXT	22 WORDS
<p>Mission 1. List CPSEs on stock exchanges to promote people's ownership through public participation and improving efficiencies of CPSEs through accountability to its shareholders.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
349/536	SUBMITTED TEXT	37 WORDS	100% MATCHING TEXT	37 WORDS
<p>To bring in operational efficiencies in CPSEs through strategic investment, ensuring their greater contribution to economy. 3. Adopt a professional approach for financial management of CPSEs in the national interest and investment aimed at expanding public participation in ownership of CPSEs.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

350/536	SUBMITTED TEXT	37 WORDS	100% MATCHING TEXT	37 WORDS
<p>To bring in operational efficiencies in CPSEs through strategic investment, ensuring their greater contribution to economy. 3. Adopt a professional approach for financial management of CPSEs in the national interest and investment aimed at expanding public participation in ownership of CPSEs.</p>				
SA CC-PA-10.pdf (D164996485)				
351/536	SUBMITTED TEXT	24 WORDS	76% MATCHING TEXT	24 WORDS
<p>Department of Financial Services The mandate of the Department of Financial Services covers the functioning of Banks, Financial Institutions, Insurance Companies and the National Pension System.</p>				
SA CC-PA-10.pdf (D165362592)				
352/536	SUBMITTED TEXT	24 WORDS	76% MATCHING TEXT	24 WORDS
<p>Department of Financial Services The mandate of the Department of Financial Services covers the functioning of Banks, Financial Institutions, Insurance Companies and the National Pension System.</p>				
SA CC-PA-10.pdf (D164996485)				
353/536	SUBMITTED TEXT	48 WORDS	100% MATCHING TEXT	48 WORDS
<p>Public Sector banks (PSBs), Public Sector Insurance Companies (PSICs) and Development Financial Institutions (DFIs) like National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI), India Infrastructure Finance Company Ltd. (IIFCL), National Housing Bank (NHB), Export-Import Bank of India (EXIM Bank), Industrial Finance Corporation of India (IFCI).</p>				
SA CC-PA-10.pdf (D165362592)				
354/536	SUBMITTED TEXT	48 WORDS	100% MATCHING TEXT	48 WORDS
<p>Public Sector banks (PSBs), Public Sector Insurance Companies (PSICs) and Development Financial Institutions (DFIs) like National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI), India Infrastructure Finance Company Ltd. (IIFCL), National Housing Bank (NHB), Export-Import Bank of India (EXIM Bank), Industrial Finance Corporation of India (IFCI).</p>				
SA CC-PA-10.pdf (D164996485)				

355/536	SUBMITTED TEXT	23 WORDS	100% MATCHING TEXT	23 WORDS
<p>the Reserve Bank of India (RBI), the Insurance Regulatory and Development Authority of India (IRDAI) and the Pension Fund Regulatory and Development Authority (PFRDA).</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
356/536	SUBMITTED TEXT	23 WORDS	100% MATCHING TEXT	23 WORDS
<p>the Reserve Bank of India (RBI), the Insurance Regulatory and Development Authority of India (IRDAI) and the Pension Fund Regulatory and Development Authority (PFRDA).</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
357/536	SUBMITTED TEXT	22 WORDS	100% MATCHING TEXT	22 WORDS
<p>the Ministry of Finance concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. 2. The</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
358/536	SUBMITTED TEXT	22 WORDS	100% MATCHING TEXT	22 WORDS
<p>the Ministry of Finance concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. 2. The</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
359/536	SUBMITTED TEXT	18 WORDS	83% MATCHING TEXT	18 WORDS
<p>Central) Divisions, Office of Controller General of Accounts, Office of Chief Adviser Cost, and Central Pension Accounting Office.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
360/536	SUBMITTED TEXT	18 WORDS	83% MATCHING TEXT	18 WORDS
<p>Central) Divisions, Office of Controller General of Accounts, Office of Chief Adviser Cost, and Central Pension Accounting Office.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
361/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Public Sector banks (PSBs), Public Sector Insurance Companies (PSICs) and Development Financial Institutions (DFIs) like National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI)</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

362/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Public Sector banks (PSBs), Public Sector Insurance Companies (PSICs) and Development Financial Institutions (DFIs) like National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI)</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
363/536	SUBMITTED TEXT	16 WORDS	100% MATCHING TEXT	16 WORDS
<p>concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. ?</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
364/536	SUBMITTED TEXT	16 WORDS	100% MATCHING TEXT	16 WORDS
<p>concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the Union Budget. ?</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
365/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
366/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p> <p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
367/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				

368/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
369/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
370/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
371/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the</p> <p>OBJECTIVES After going through this unit, you will be able to: • Understand the</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
372/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the</p> <p>SA Public financial administration.docx (D166323443)</p>				
373/536	SUBMITTED TEXT	17 WORDS	75% MATCHING TEXT	17 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the classification, sources and types of</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
374/536	SUBMITTED TEXT	16 WORDS	64% MATCHING TEXT	16 WORDS
<p>agriculture and allied services, industry and minerals, water and power development services, transport and communications, supplies and</p> <p>agriculture and allied activities, industries and minerals, water and power development, transport and communication and</p> <p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				

375/536	SUBMITTED TEXT	21 WORDS	71% MATCHING TEXT	21 WORDS
<p>the expenses which a government incurs for (i) its own maintenance, (ii) the society and the economy, and (iii) helping other countries.</p>		<p>the expenditure which a government incur for its own maintenance, the society and the economy and helping other countries.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
376/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>Public Expenditure There are two important and well known theories of increasing public expenditure</p>		<p>Public Expenditure There are two important and well-known theories of increasing public expenditure:</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
377/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
<p>there are inherent tendencies for the activities of different layers of</p>		<p>there are inherent tendencies for the activities of different layers of</p>		
<p>W https://ijsser.org/2020files/ijsser_05__77.pdf</p>				
378/536	SUBMITTED TEXT	93 WORDS	98% MATCHING TEXT	93 WORDS
<p>Wagner's Law of Increasing State Activities Adolph Wagner (1835–1917) was a German economist who based his Law of Increasing State Activities on historical facts, primarily of Germany. According to Wagner, there are inherent tendencies for the activities of different layers of a government (such as central and state governments) to increase both intensively and extensively. There is a functional relationship between the growth of an economy and government activities with the result that the governmental sector grows faster than the economy. From the original version of this theory it is not clear whether Wagner was referring to an increase in</p>		<p>Wagner's Law of Increasing State Activities Adolph Wagner (1835-1917) was a German economist who set his Law of Increasing State Activities based on historical facts, primarily of Germany. According to Wagner, there are inherent tendencies for the activities of different layers of a government (such as central and state governments) to increase both intensively and extensively. There is a functional relationship between the growth of an economy and government activities with the result that the governmental sector grows faster than the economy. From the original version of this theory it is not clear whether Wagner was referring to an increase in (</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
379/536	SUBMITTED TEXT	21 WORDS	97% MATCHING TEXT	21 WORDS
<p>a) absolute level of public expenditure (b) the ratio of government expenditure to GNP (c) proportion of public sector in the total economy</p>		<p>a) absolute level of public expenditure, (b) the ratio of government expenditure to GNP, or (c) proportion of public sector in the total economy.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				

380/536	SUBMITTED TEXT	62 WORDS	94% MATCHING TEXT	62 WORDS
	<p>All kinds of governments, irrespective of their levels (say, the central or state governments), intentions (peaceful or warlike), and size, etc., had exhibited the same tendency of increasing public expenditure. A number of reasons can be enumerated for this inherent long-term tendency recorded in history. (i) An expansion in the traditional functions of the State. Defence became increasingly more expensive over time. Within the country, administrative</p>		<p>All kinds of governments, irrespective of their levels (say, the central or state governments), intentions (peaceful or warlike), and size, etc., had exhibited the same tendency of increasing public expenditure. A number of reasons can be enumerated for this inherent long-term tendency recorded in history. Firstly, we can mention an expansion in the traditional functions of the State. Defense became increasingly more expensive over time. Within the country, administrative</p>	
	<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>			

381/536	SUBMITTED TEXT	68 WORDS	92% MATCHING TEXT	68 WORDS
	<p>set kept increasing both in coverage and intensity. The government machinery had to be manned by experts in their fields. With the progress of society, administration of the government, and its services had to become increasingly more extensive, cumbersome and expensive so as to retain efficiency. (ii) State activities were increasing in coverage. Traditionally they were limited to only defence, justice, law and order, maintenance of the State and social overheads. But with</p>		<p>set kept increasing both in coverage and intensity. The government machinery had to be manned by experts in their fields. With the progress of society, administration of the government and its services had to become increasingly more extensive, bulky and expensive so as to retain efficiency. Secondly, the State activities were increasing in their coverage. Traditionally, they were limited to only defense, justice, law and order maintenance of the State and social overheads. But with</p>	
	<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>			

382/536	SUBMITTED TEXT	270 WORDS	97% MATCHING TEXT	270 WORDS
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growing awareness of its responsibilities to the society, the government started expanding its activities in hitherto unexplored field of socio-economic welfare. These measures included efforts to enrich cultural life of the society and provision of social security to the people (such as old age pensions and so on). Subsidies for and direct provision of various merit goods also registered an increase. Most governments also took active steps to ensure distributive justice by reducing income and wealth inequalities. (iii) The need to provide and expand the sphere of public goods received an increasing attention. The State tried to shift the composition of national produce in favour of public goods, and this, in turn, necessitated an expansion of investment activity of the government. Wagner's Law was based upon historical facts. It did not reveal the inner compulsions under which a government has to increase its activities and public expenditure as time passes. It was applicable only to modern progressive governments which were interested in expanding public sector of the economy for its overall benefit. This general tendency of expanding State activities had a definite long-term trend, though in the short-run, financial difficulties could come in its way. "But in the long-run the desire for development of a progressive people will always overcome these financial difficulties." Thus, Wagner was emphasizing long-term trend rather than short-term changes in public expenditure. Moreover, he was not concerned with the mechanism of increase in public expenditure. Since his study is based on the historical experience, the precise quantitative relationship between the extent of increase in public expenditure and time taken by it was not fixed in any logical or functional manner. His contention that public expenditure had been increasing over time, could not be used to predict its rate

growing awareness of its responsibilities to the society, the government started expanding its activities in till now unexplored field of socio-economic' welfare. These measures included efforts to enrich cultural life of the society and provision of social security to the people (such as old age pensions and so on). Subsidies for and direct provision of various merit goods also registered an increase. Most governments also took active steps to ensure distributive justice by reducing income and wealth inequalities. Thirdly, the need to provide and expand the sphere of public goods received an increasing attention. The state tried to shift the composition of national produce in favour of public goods and this in turn necessitated an expansion of investment activity of the government. Wagner's Law was based upon historical facts. It did not reveal the inner compulsions under which a government has to increase its activities and public expenditure as time passes. It was applicable only to modern progressive governments which were interested in expanding public sector of the economy for its overall benefit. This general tendency of expanding State activities had a definite long-term trend, though in the short-run, financial difficulties could come in its way. "But in the long-run the desire for development of a progressive people will always overcome these financial difficulties." Thus, Wagner was emphasizing long-term trend rather than short-term changes in public expenditure. Moreover, he was not concerned with the mechanism of increase in public expenditure. Since his study is based on the historical experience, the precise quantitative relationship between the extent of increase in public expenditure and time taken by it was not fixed in any logical or functional manner. His argument that public expenditure had been increasing over time could not be used to predict its rate 0

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increase in future. Actually, it is consistent with Wagner's law to state that in future the State expenditure would increase at a rate slower than the national income

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Thus in the initial stages of economic growth, the State finds that it has to expand its activities quite fast in several fields like education, health, civic amenities, transport, communications, and so on. But when the initial deficiency is removed, then the increase in State activities may be slowed down.

Thus, in the initial stages of economic growth, the State finds that it has to expand its activities quite fast in several fields like education, health, civic amenities, transport, communications, and so on. But when the initial deficiency is removed, then the increase in State activities may be slowed down.

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385/536	SUBMITTED TEXT	79 WORDS	100% MATCHING TEXT	79 WORDS
<p>Additional Factors which contribute to the tendency of increasing public expenditure relate to a growing role of the State in ever-increasing socio-economic complexities of modern society. (i) Many societies are experiencing a growing population which becomes a major contributory factor in the growth of public expenditure. The sheer scale of state services has to increase to keep pace with population growth, including, for example, more schools, hospitals, and police, etc. (ii) Most countries have registered increasing urbanization. Existing cities grow and new ones come up.</p>		<p>Additional factors which contribute to the tendency of increasing public expenditure relate to a growing role of the State in ever-increasing socio-economic complexities of modern society. (i) Many societies are experiencing a growing population which becomes a major contributory factor in the growth of public expenditure. The sheer scale of state' services has to' increase to keep pace with population growth, including, for example, more schools, hospitals, and police, etc .. (ii) Most countries have registered increasing urbanization. Existing cities grow and new ones come up.</p>		
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386/536	SUBMITTED TEXT	116 WORDS	100% MATCHING TEXT	116 WORDS
<p>implies a much larger per capita expenditure on civic amenities. It necessitates a much larger supply of incidental services like those connected with traffic, roads, and so. (iii) Prices have a secular tendency to go up. This also adds to public expenditure even if the scale of state services remains unchanged. (iv) The size and nature of public services necessitates an ever-increasing specialization. The quality of the services improves, both as a historical fact as also due to circumstantial compulsions. Better quality services and higher qualified administrators, technicians, etc., imply a higher cost of providing public services. Also, the government has to purchase a number of goods and services for its own maintenance. With rising prices, expenditure on them also goes up.</p>		<p>implies a much larger per capita expenditure on civic amenities. It necessitates a much larger supply of incidental services like those connected with traffic, roads, and so. (iii) Prices have a secular tendency to go up. This also adds to public expenditure even if the scale of state services remains unchanged. (iv) The size and nature of public services necessitates an ever increasing specialization. The quality of the services improves, both as a historical fact as also due to circumstantial compulsions. Better quality services and higher qualified administrators, technicians etc., imply a higher cost of providing public services. Also, the government has to purchase a number of goods and services for its own maintenance. With rising prices, expenditure on them also goes up. (</p>		
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387/536	SUBMITTED TEXT	26 WORDS	92% MATCHING TEXT	26 WORDS
<p>v) A modern government considers it a part of its duty to protect the economy from the "failures" of market mechanism. Accordingly, anticyclical and other regulatory measures</p>		<p>v) A modern government considers it a part of its duty to protect the economy from the "failures" of market mechanism. Accordingly, anti-cyclical and other regulatory measures</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				

388/536	SUBMITTED TEXT	91 WORDS	98% MATCHING TEXT	91 WORDS
<p>are adopted. Efforts are made to reduce the income and wealth inequalities and bring about social and economic justice which, in turn, add to public expenditure. (vi) Modern governments have shown a tendency to run into debt and this leads to a subsequent increase in public expenditure in the form of increasing cost of debt servicing and repayment of the loans. (vii) Popularity of the philosophy of planning and economic growth as also increasing government activities in the areas of capital accumulation and economic growth have also contributed to the growth of public sector. (viii) Musgrave</p>		<p>are adopted. Efforts are made to reduce the income and wealth inequalities and bring about social and economic justice which in turn adds to public expenditure. (vi) Modern governments have shown a tendency to run into debt and this leads to a subsequent increase in public expenditure in the form of increasing cost of debt servicing and repayment of the loans. (vii) Popularity of the philosophy of planning and economic growth as also increasing government activities in the areas of capital accumulation and economic growth have also contributed to the growth of public sector. (viii) Musgrave</p>		
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389/536	SUBMITTED TEXT	206 WORDS	95% MATCHING TEXT	206 WORDS
<p>growing complementarity between public and private consumer and capital goods so that with an increase in per capita income, demand for public services also increases with a corresponding growth in public expenditure. (ix) There is an inherent tendency of vested interests to develop which demand an increase in public expenditure for their own benefit. For this reason, a variety of subsidies and other avoidable expenditures inflate the public budget. (x) It is claimed that government bureaucracy has an inherent tendency to expand irrespective of the size and nature of public services provided by it. (xi) Recent investigations have brought into focus productivity and efficiency dimensions of government organs and public undertakings as also the manner in which these dimensions push up public expenditure. Specific mention may be made of the concepts of "productivity lag" advanced by Allan Peacock and Baumol's Disease. According to these concepts, public sector is less efficient and productive than the private one, and tends to be more labour intensive (or overstaffed). Similarly, an element of avoidable inefficiency and therefore cost (termed X-inefficiency) creeps in due to poor supervision, nonfixation of responsibility, noncheck on output of individual employees and nonquantification of government services. (xii) At the same time, there is a myth that the individuals can voluntarily get together to resolve market deficiencies without government intervention.</p>		<p>growing complementarities between public and private consumer and capital goods so that with an increase in per capita income, demand for public services also increases with a corresponding growth in public expenditure. (ix) There is an inherent tendency of vested interests to develop which demand an increase in public expenditure for their own benefit. For this reason, a variety of subsidies and other avoidable expenditures inflate the public budget. (x) It is claimed that government bureaucracy has an inherent tendency to expand irrespective of the size and nature of public services provided by it (xi) Recent investigations have brought into focus productivity and efficiency dimensions of government organs and public undertakings as also the manner in which these dimensions push up public expenditure. Specific mention may be made of the concepts of "productivity lag" advanced by Allan Peacocks and Baumol's Disease. According to these concepts, public sector is less efficient and productive than the private one, and tends to be more labour-intensive (or over-staffed). Similarly, an element of avoidable inefficiency and therefore cost (termed X-inefficiency) creeps in due to poor supervision, non-fixation of responsibility, non-check on output of individual employees and non-quantification of government services. (xii) At the same time, there is a myth that the individuals can voluntarily get together to resolve market deficiencies without government intervention</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				

390/536	SUBMITTED TEXT	84 WORDS	96% MATCHING TEXT	84 WORDS
<p>is known as Coase Fallacy. The myth is explained by Fundamental Non Decentralizability Theorem expounded by B. Greenland and J. Stiglitz. Wagner’s model has an important analytical limitation which can be removed in an expanded version. A government is not a monolithic entity. It comprises a number of organs and associated institutions. Households and business units in the private sector also do not observe government activities passively. Instead, they respond to them more actively. Thus, the government decision-making has become a complex phenomenon and has multifarious tendencies to increase public expenditure.</p>		<p>is known as Coase Fallacy. The myth is explained by: Fundamental Non-Decentralizability Theorem expounded by B. Greenland and J. Stiglitz. Wagner’s model has an important analytical limitation which can be removed in an expanded version. A government is not a monolithic entity. It comprises a number of organs and associated institutions. Households and business units in the private sector also don’t observe government activities passively. Instead, they respond to them more actively. Thus, the government decision- making has become a complex phenomenon and has multifarious tendencies to increase public expenditure.</p>		
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391/536	SUBMITTED TEXT	18 WORDS	100% MATCHING TEXT	18 WORDS
<p>context of US experience, have viewed Wagner’s theory in terms of increasing discrepancy between growth of government expenditure and</p>		<p>context of US experience, have viewed Wagner’s theory in terms of increasing discrepancy between growth of government expenditure and</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				

392/536	SUBMITTED TEXT	129 WORDS	100% MATCHING TEXT	129 WORDS
<p>output and termed the phenomenon as “Wagner Squared” hypothesis. They base their argument on two facts. Firstly, in contrast with the situation prevailing in the private sector, expenditure on civil servants grows faster than the corresponding increase in their output. Secondly, with increasing social security and other measures, the proportion of population receiving transfer payments from authorities keeps increasing. This way, public expenditure increases both in absolute terms and as a proportion of national income. It may be noted that even if the expenditure on civil services as a proportion of expenditure on employees in the private sector does not increase, and even if the proportion of population receiving transfer payments remains stable, the Wagner Squared hypothesis would hold. The major limitation of this hypothesis is that output of public servants cannot be measured with any degree of accuracy.</p>		<p>output and termed the phenomenon as “Wagner Squared” hypothesis. They base their argument on two facts. Firstly, in contrast with the situation prevailing in the private sector, expenditure on civil servants grows faster than the corresponding increase in their output. Secondly, with increasing social security and other measures, the proportion of population receiving transfer payments from authorities keeps increasing. This way public expenditure increases both in absolute terms and as a proportion of national income. It may be noted that even if the expenditure on civil services as a proportion of expenditure on employees in the private sector does not increase, and even if the proportion of population receiving transfer payments remains stable, the Wagner Squared hypothesis would hold. The major limitation of this hypothesis is that output of public servants cannot be measured with any degree of accuracy.</p>		
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393/536	SUBMITTED TEXT	17 WORDS	75% MATCHING TEXT	17 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the classification, sources and types of</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				

Alan Tait Peacock does not agree with this explanation of Buchanan and Tullock. He says that a typical individual does not relate his tax payments with the receipt of government services. He considers his tax liabilities as they are and strives for additional public services; that is, he fights for additional opportunities for milking government services and not for reducing taxes. The politicians, to win their votes, try to expand government services and therefore impose more taxes. The government expenditure keeps on increasing without any reference to productivity/cost ratio of government services. We may add that modern governments have found new weapons whereby to increase their expenditure even without collecting more taxes. They now own public undertakings which can be a source of revenue to them. But more important than that is their capacity and willingness to resort to deficit financing. Even in advanced countries deficit financing has become a common occurrence. The public opinion is not strong enough to check this sort of policy even though it has disastrous inflationary effects.

2. Wiseman–Peacock Hypothesis The second thesis dealing with the growth of public expenditure was put forth by Wiseman and Peacock in their study of public expenditure in UK for the period 1890-1955. The main thesis of the authors is that public expenditure does not increase in a smooth and continuous manner, but in jerks or step like fashion. At times some social or other disturbance takes place, creating a need for increased public expenditure which the existing public revenue cannot meet. While earlier, due to an insufficient pressure for public expenditure, the revenue constraint was dominating and restraining an expansion in public expenditure, now under changed requirements such a restraint gives way. The public expenditure increases and makes the inadequacy of the present revenue quite clear to every one. The movement from the older level of expenditure and taxation to a new and higher level is the displacement effect. The inadequacy of the revenue as compared with

Alan Tait Peacock does not agree with this explanation of Buchanan and Tullock. He says that a typical individual does not relate his tax payments with the receipt of government services. He considers his tax liabilities as they are and strives for additional public services; that is, he fights for additional opportunities for milking government services and not for reducing taxes. The politicians, to win their votes try to expand government services and, therefore, impose more taxes. The government expenditure keeps on increasing without any reference to productivity/cost ratio of government services. We may add that modern governments have found new weapons whereby to increase their expenditure even without collecting more taxes. They now own public undertakings which can be a source of revenue to them. But, more important than that is their capacity and willingness to resort to deficit financing. Even in advanced countries deficit financing has become a common occurrence. The public opinion is not strong enough to check this sort of policy even though it has disastrous inflationary effects.

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395/536	SUBMITTED TEXT	151 WORDS	100% MATCHING TEXT	151 WORDS
<p>the required public expenditure creates an inspection effect. The government and the people review the revenue position and the need to find a solution of the important problems that have come up and agree to the required adjustments to finance the increased expenditure. They attain a new level of tax tolerance. They are now ready to tolerate a greater burden of taxation and, as a result, the general level of expenditure and revenue goes up. In this way, the public expenditure and revenue get stabilized at a new level till another disturbance occurs to cause a displacement effect. Thus each major disturbance leads to the government assuming a larger proportion of the total national economic activity. In other words, there is a concentration effect. The concentration effect also refers to the apparent tendency for central government economic activity to grow faster than that of the state and local level governments.</p>		<p>the required public expenditure creates an inspection effect. The government and the people review the revenue position and the need to find a solution of the important problems that have come up and agree to the required adjustments to finance the increased expenditure. They attain a new level of tax tolerance. They are now ready to tolerate a greater burden of taxation and as a result the general level of expenditure and revenue goes up. In this way, the public expenditure and revenue get stabilized at a new level till another disturbance occurs to cause a displacement effect. Thus, each major disturbance leads to the government assuming a larger proportion of the total national economic activity. In other words, there is a concentration effect. The concentration effect also refers to the apparent tendency for central government economic activity to grow faster than that of the state and local level governments.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				

396/536	SUBMITTED TEXT	174 WORDS	100% MATCHING TEXT	174 WORDS
<p>Moreover, this aspect of concentration effect is also closely connected with the political set up of the country. On the face of it, Wiseman Peacock hypothesis looks quite convincing. But we must remember that they are emphasizing the recurrence of abnormal situations which cause sizeable jumps in public expenditure and revenue. In all fairness to the historical facts, we must not forget that on account of advancement of the economy and the structural changes therein, there are constant and regular increments in public expenditure and revenue. Public expenditure has a tendency to grow on account of a systematic expansion of the public activities as also an increase in their intensity and quality. Increasing population, urbanization and an ever increasing awareness of the civic rights on the part of the public, coupled with an increasing awareness of its duties on the part of the State, leads to an upward movement of public expenditure. To an extent, public expenditure gets financed by ever increasing revenue which is made possible through the expansion and structural changes in the economy.</p>		<p>Moreover, this aspect of concentration effect is also closely connected with the political set up of the country. On the face of it, Wiseman Peacock hypothesis looks quite convincing. But, we must remember that they are emphasizing the recurrence of abnormal situations which cause sizeable jumps in public expenditure and revenue. In all fairness to the historical facts, we must not forget that on account of advancement of the economy and the structural changes therein, there are constant and regular increments in public expenditure and revenue. Public expenditure has a tendency to grow on account of a systematic expansion of the public activities as also an increase in their intensity and quality. Increasing population urbanization and an ever-increasing awareness of the civic rights on the part of the public, coupled with an increasing awareness of its duties on the part of the State, leads to an upward movement of public expenditure. To an extent public expenditure gets financed by ever-increasing revenue which is made possible through the expansion and structural changes in the economy.</p>		
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397/536	SUBMITTED TEXT	93 WORDS	97% MATCHING TEXT	93 WORDS
<p>These days, in underdeveloped countries like India, the State is deliberately trying to increase its activities and makes an effort to finance those activities through various tax efforts. Even in developed countries, the State finds that it has to perform an increasing regulatory duty to protect the economy against instability and excessive inequalities of income and wealth. Thus, Wiseman Peacock hypothesis is still a description of a particular tendency and does not isolate all the relevant causes at work. It must be emphasized that apart from various factors like population growth, defence expenditure, urbanization, rising prices etc., which by themselves</p>		<p>These days, in underdeveloped countries like Ethiopia, the State is deliberately trying to increase its activities and makes an effort to finance those activities through various tax efforts. Even in developed countries, the State finds that it has to perform an increasing regulatory duty to protect the economy against instability and excessive inequalities of income and wealth. Thus, Wiseman Peacock hypothesis is still a description of a particular tendency and does not isolate all the relevant causes at work. It must be emphasized that apart from various factors like population growth, defense expenditure, urbanization, rising prices etc., which by themselves</p>		
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398/536	SUBMITTED TEXT	17 WORDS	100% MATCHING TEXT	17 WORDS
<p>public expenditure, an important additional contributory force is the failure of market mechanism in achieving various</p>		<p>public expenditure, an important additional contributory force is the failure of market mechanism in achieving various</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
399/536	SUBMITTED TEXT	78 WORDS	100% MATCHING TEXT	78 WORDS
<p>objectives of the country. Inherent deficiencies of market mechanism make the economy a prey of economic instability, income and wealth inequalities, defective patterns of consumption, employment and investment and so on. In a number of cases, the market mechanism is not able to pull the economy out of its vicious circle of poverty and launch it on a path of secular and rapid economic growth. Therefore, the government is forced to increase its field of activities with a corresponding increase in public expenditure.</p>		<p>objectives of the country. Inherent deficiencies of market mechanism make the economy a prey of economic instability, income and wealth inequalities, defective patterns of consumption, employment and investment and so on. In a number of cases, the market mechanism is not able to pull the economy out of its vicious circle of poverty and launch it on a path of secular and rapid economic growth. Therefore: the government is forced to increase its field of activities with a corresponding increase in public expenditure. 3.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
400/536	SUBMITTED TEXT	24 WORDS	100% MATCHING TEXT	24 WORDS
<p>both private units and public authorities try to maximize returns per unit of expenditure (the returns being the objectives to be achieved).</p>		<p>both private units and public authorities try to maximize returns per unit of expenditure (the returns being the objectives to be achieved),</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
401/536	SUBMITTED TEXT	20 WORDS	100% MATCHING TEXT	20 WORDS
<p>Any shortfall on this front will be on account of inefficiency, uncertainty, lack of foresight and similar other causes.</p>		<p>Any shortfall on this front will be on account of inefficiency, uncertainty, lack of foresight and similar other causes</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				

402/536	SUBMITTED TEXT	21 WORDS	100% MATCHING TEXT	21 WORDS
<p>Both private economic units and public authorities take a collective view of the income, expenditure and the possibilities of adjustments in each.</p> <p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>		<p>both private economic units and public authorities take a collective view of the income, expenditure and the possibilities of adjustments in each.</p>		
403/536	SUBMITTED TEXT	79 WORDS	98% MATCHING TEXT	79 WORDS
<p>private and public expenditures are similar in their overall and complex ramifications, the dissimilarities between them are also quite glaring. The first such dissimilarity is the objective with which the expenditure is incurred. In the case of an individual economic unit, generally an exchange relationship determines the mode, pattern and volume of expenditure. As a consumer, an individual equates the marginal utility of the good (or service) purchased with the disutility of expenditure. A commercial economic unit compares private marginal returns from</p> <p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>		<p>private and public expenditures are similar in their overall and complex ramifications, the dissimilarities between them are also quite glaring. The first dissimilarity is the objective with which the expenditure is incurred. . In the case of an individual economic unit, generally an exchange relationship determines the mode, pattern and volume of expenditure. As a consumer, an individual equates the marginal utility of the good (or service) purchased with the disutility of expenditure. A commercial economic unit compares private marginal returns from</p>		
404/536	SUBMITTED TEXT	84 WORDS	100% MATCHING TEXT	84 WORDS
<p>expenditure with the amount spent. Public authorities however cannot and do not always adopt a commercial attitude towards their expenditure plans. They have to consider social benefits generated in the process of their expenditure activities. And in quite a few cases these benefits are vague and immeasurable. The State has to impute social valuation to these benefits and decide whether it is worthwhile undertaking these expenditures or not. Also, certain State expenditures are directed at bringing about social and economic justice. The benefits of such State expenditures cannot be evaluated directly.</p> <p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>		<p>expenditure with the amount spent. Public authorities, however, cannot and do not always adopt a commercial attitude towards their expenditure plans. They have to consider social benefits generated in the process of their expenditure activities. And, in quite a few cases these benefits are vague and immeasurable. The State has to impute social valuation to these benefits and decide whether it is worthwhile undertaking these expenditures or not. Also, certain State expenditures are directed at bringing about social and economic justice. The benefits of such State expenditures cannot be evaluated directly. 1.</p>		
405/536	SUBMITTED TEXT	13 WORDS	88% MATCHING TEXT	13 WORDS
<p>Productive and Unproductive Expenditures This distinction emphasizes that while some expenditures are in</p> <p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>		<p>Productive and Unproductive Expenditures This distinction emphasizes that while some expenditure is in</p>		

406/536	SUBMITTED TEXT	53 WORDS	97% MATCHING TEXT	53 WORDS
<p>in the nature of consumption, others are in the nature of investment and help the economy in improving its productive capacity. Under the laissez-faire philosophy, the only productive public expenditures are those which are incurred to create and maintain social overheads. Expenditures on administration, defence, justice, law and order, and maintenance of the State are unproductive.</p>		<p>in the nature of consumption; others are in the nature of investment and help the economy in improving its productive capacity. Under the laissez-faire philosophy, the only productive public expenditures are those which are incurred to create and maintain social overheads. Expenditures on administration, defense, justice, law and order, and maintenance of the State are unproductive. ?</p>		
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407/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Transfer and Non-transfer Expenditures This classification was favoured by Pigou.</p>		<p>Transfer and Non-transfer Expenditures, This classification was favoured by Pigou.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				

408/536	SUBMITTED TEXT	133 WORDS	91% MATCHING TEXT	133 WORDS
<p>transfer expenditure is a payment without corresponding receipt of goods and services by the State. Examples are interest payments, old age pensions and unemployment benefits. In these cases, the government is simply transferring the right or claim to use the goods and services to certain sections of the society. In contrast, nontransfer expenditure is that by which the State pays for its purchases or use of goods and services. While in the case of transfer expenditure, the beneficiaries are to decide about the use of real resources, in the case of nontransfer expenditure, it is the State which uses the resources straightaway. Such a use of resources by the State, of course, may be for consumption purposes or for investment purposes. Expenditure on defence, education and such like things are all of nontransfer or real expenditure type as are the investment expenditures.</p>		<p>Transfer expenditure is a payment without corresponding receipt of goods and services by the State. Examples are interest payments, old-age pensions and unemployment benefits. In these cases, the government is simply transferring the right or claim to use the goods and services to certain sections of the society. In contrast, non-transfer expenditure is that by which the State pays for its purchases or use of goods and services. While in the case of transfer expenditure, the beneficiaries are to decide about the use of real resources, in the case of non-transfer expenditure, it is the State which uses the resources straightaway. Such a use of resources by the State, of course, may be for consumption purposes or for investment purposes. Expenditure on defense, education and such and such things are of non-transfer or real expenditure type as are the investment expenditures.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				

409/536	SUBMITTED TEXT	11 WORDS	100% MATCHING TEXT	11 WORDS
<p>there are inherent tendencies for the activities of different layers of</p>		<p>there are inherent tendencies for the activities of different layers of</p>		
<p>W https://ijsser.org/2020files/ijsser_05__77.pdf</p>				

410/536	SUBMITTED TEXT	32 WORDS	100% MATCHING TEXT	32 WORDS
<p>According to Wagner, there are inherent tendencies for the activities of different layers of a government (such as central and state governments) to increase both intensively and extensively. There is a functional relationship</p>		<p>According to Wagner, there are inherent tendencies for the activities of different layers of a government (such as central and state governments) to increase both intensively and extensively. There is a functional relationship</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
411/536	SUBMITTED TEXT	21 WORDS	100% MATCHING TEXT	21 WORDS
<p>between the growth of an economy and government activities with the result that the governmental sector grows faster than the economy. 6.</p>		<p>between the growth of an economy and government activities with the result that the governmental sector grows faster than the economy.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
412/536	SUBMITTED TEXT	63 WORDS	94% MATCHING TEXT	63 WORDS
<p>Most countries have registered increasing urbanisation. Existing cities grow and new ones come up. Urbanisation implies a much larger per capita expenditure on civic amenities. It necessitates a much larger supply of incidental services like those connected with traffic, roads, and so. (ii) Prices have a secular tendency to go up. This also adds to public expenditure even if the scale of state services remains unchanged. 7. The</p>		<p>Most countries have registered increasing urbanization. Existing cities grow and new ones come up. Urbanisation implies a much larger per capita expenditure on civic amenities. It necessitates a much larger supply of incidental services like those connected with traffic, roads, and so. (iii) Prices have a secular tendency to go up. This also adds to public expenditure even if the scale of state services remains unchanged. (The</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
413/536	SUBMITTED TEXT	40 WORDS	100% MATCHING TEXT	40 WORDS
<p>is that public expenditure does not increase in a smooth and continuous manner, but in jerks or step like fashion. At times some social or other disturbance takes place, creating a need for increased public expenditure which the existing public revenue cannot meet. 8.</p>		<p>is that public expenditure does not increase in a smooth and continuous manner, but in jerks or step like fashion. At times, some social or other disturbance takes place, creating a need for increased public expenditure which the existing public revenue cannot meet.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
414/536	SUBMITTED TEXT	46 WORDS	100% MATCHING TEXT	46 WORDS
<p>transfer expenditure is a payment without corresponding receipt of goods and services by the State. Examples are interest payments, old age pensions and unemployment benefits. In these cases, the government is simply transferring the right or claim to use the goods and services to certain sections of the society. 12.5</p>		<p>Transfer expenditure is a payment without corresponding receipt of goods and services by the State. Examples are interest payments, old-age pensions and unemployment benefits. In these cases, the government is simply transferring the right or claim to use the goods and services to certain sections of the society.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				

415/536	SUBMITTED TEXT	20 WORDS	71% MATCHING TEXT	20 WORDS
<p>the expenses which a government incurs for (i) its own maintenance, (ii) the society and the economy, and (iii) helping other countries. ?</p>		<p>the expenditure which a government incur for its own maintenance, the society and the economy and helping other countries.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
416/536	SUBMITTED TEXT	47 WORDS	100% MATCHING TEXT	47 WORDS
<p>Wagner's Law was based upon historical facts. It did not reveal the inner compulsions under which a government has to increase its activities and public expenditure as time passes. It was applicable only to modern progressive governments which were interested in expanding public sector of the economy for its overall benefit. ?</p>		<p>Wagner's Law was based upon historical facts. It did not reveal the inner compulsions under which a government has to increase its activities and public expenditure as time passes. It was applicable only to modern progressive governments which were interested in expanding public sector of the economy for its overall benefit.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
417/536	SUBMITTED TEXT	31 WORDS	94% MATCHING TEXT	31 WORDS
<p>growing complementarity between public and private consumer and capital goods so that with an increase in per capita income, demand for public services also increases with a corresponding growth in public expenditure. ?There is</p>		<p>growing complementarities between public and private consumer and capital goods so that with an increase in per capita income, demand for public services also increases with a corresponding growth in public expenditure. (There is</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
418/536	SUBMITTED TEXT	16 WORDS	100% MATCHING TEXT	16 WORDS
<p>a myth that the individuals can voluntarily get together to resolve market deficiencies without government intervention.</p>		<p>a myth that the individuals can voluntarily get together to resolve market deficiencies without government intervention</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
419/536	SUBMITTED TEXT	19 WORDS	100% MATCHING TEXT	19 WORDS
<p>is known as Coase Fallacy. The myth is explained by Fundamental Non Decentralizability Theorem expounded by B. Greenland and J. Stiglitz. ?</p>		<p>is known as Coase Fallacy. The myth is explained by: Fundamental Non-Decentralizability Theorem expounded by B. Greenland and J. Stiglitz.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
420/536	SUBMITTED TEXT	18 WORDS	100% MATCHING TEXT	18 WORDS
<p>context of US experience, have viewed Wagner's theory in terms of increasing discrepancy between growth of government expenditure and</p>		<p>context of US experience, have viewed Wagner's theory in terms of increasing discrepancy between growth of government expenditure and</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				

421/536	SUBMITTED TEXT	45 WORDS	94% MATCHING TEXT	45 WORDS
<p>Each major disturbance leads to the government assuming a larger proportion of the total national economic activity. In other words, there is a concentration effect. It also refers to the apparent tendency for central government economic activity to grow faster than that of the state and local level governments. ?</p>		<p>each major disturbance leads to the government assuming a larger proportion of the total national economic activity. In other words, there is a concentration effect. The concentration effect refers to the apparent tendency for central government economic activity to grow faster than that of the state and local level governments.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
422/536	SUBMITTED TEXT	14 WORDS	100% MATCHING TEXT	14 WORDS
<p>Both private units and public authorities try to maximize returns per unit of expenditure</p>		<p>both private units and public authorities try to maximize returns per unit of expenditure (</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
423/536	SUBMITTED TEXT	21 WORDS	100% MATCHING TEXT	21 WORDS
<p>Both private economic units and public authorities take a collective view of the income, expenditure and the possibilities of adjustments in each.</p>		<p>both private economic units and public authorities take a collective view of the income, expenditure and the possibilities of adjustments in each.</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
424/536	SUBMITTED TEXT	32 WORDS	95% MATCHING TEXT	32 WORDS
<p>the laissez faire philosophy, the only productive public expenditures are those which are incurred to create and maintain social overheads. Expenditures on administration, defence, justice, law and order, and maintenance of the State are unproductive. ?</p>		<p>the laissez-faire philosophy, the only productive public expenditures are those which are incurred to create and maintain social overheads. Expenditures on administration, defense, justice, law and order, and maintenance of the State are unproductive. ?</p>		
<p>W http://ndl.ethernet.edu.et/bitstream/123456789/90290/44/Public%20Finance%20and%20Fiscal%20Economi ...</p>				
425/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
426/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p>		<p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

427/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
428/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
429/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
430/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
431/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the meaning</p> <p>SA Public financial administration.docx (D166323443)</p>				
432/536	SUBMITTED TEXT	16 WORDS	91% MATCHING TEXT	16 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the meaning and role of</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
433/536	SUBMITTED TEXT	22 WORDS	58% MATCHING TEXT	22 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the meaning and role of accounting and auditing ? Discuss the purpose of</p> <p>OBJECTIVES After going through this unit, you will be able to: • Understand the relative positions of legislature and in the country • Discuss the meaning and purpose of</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

434/536	SUBMITTED TEXT	31 WORDS	64% MATCHING TEXT	31 WORDS
<p>The primary functions of systematic accounts are to make financial record, to protect those handling funds, to reveal the financial conditions of the organization in all branches, to facilitate necessary adjustments in</p>		<p>The primary functions of system of accounts are to make a financial record, to protect those handling funds, to improve the financial condition of the organisation in all its branches or purposes at any time, to facilitate necessary adjustment in</p>		
<p>W http://www.jeywin.com/wp-content/uploads/2010/03/Optional-Public-Administration-8-Financial-Admin ...</p>				
435/536	SUBMITTED TEXT	16 WORDS	91% MATCHING TEXT	16 WORDS
<p>OBJECTIVES After going through this unit, you will be able to: ? Understand the meaning and role of</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				
436/536	SUBMITTED TEXT	31 WORDS	64% MATCHING TEXT	31 WORDS
<p>The primary functions of systematic accounts are to make financial record, to protect those handling funds, to reveal the financial conditions of the organization in all branches, to facilitate necessary adjustments in</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
437/536	SUBMITTED TEXT	28 WORDS	91% MATCHING TEXT	28 WORDS
<p>of expenditure to give information to those in responsible position on the basis of which plans for future financial and operating programmes can rest and to aid in making of audit.'</p>		<p>of expenditure, to give information to those in responsible positions on the basis of which plans for future financial and operating programmes can rest, and to aid in the making of an audit."</p>		
<p>W http://www.jeywin.com/wp-content/uploads/2010/03/Optional-Public-Administration-8-Financial-Admin ...</p>				
438/536	SUBMITTED TEXT	31 WORDS	64% MATCHING TEXT	31 WORDS
<p>The primary functions of systematic accounts are to make financial record, to protect those handling funds, to reveal the financial conditions of the organization in all branches, to facilitate necessary adjustments in</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				
439/536	SUBMITTED TEXT	28 WORDS	91% MATCHING TEXT	28 WORDS
<p>of expenditure to give information to those in responsible position on the basis of which plans for future financial and operating programmes can rest and to aid in making of audit.'</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				

440/536	SUBMITTED TEXT	33 WORDS	86% MATCHING TEXT	33 WORDS
	The transactions under Debts, Deposits and Advances in this part are those in respect of which Government incurs a liability to repay the money received or has a claim to recover the amounts paid.		The transactions under 'Debt', 'Deposits', and 'Advances' in 3 this Part are such in respect of which Government incurs a liability to repay the moneys received or has a claim to recover the amounts paid	
	<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>			
441/536	SUBMITTED TEXT	33 WORDS	MATCHING TEXT	33 WORDS
	The transactions under Debts, Deposits and Advances in this part are those in respect of which Government incurs a liability to repay the money received or has a claim to recover the amounts paid.		86% transactions under 'Debt', 'Deposits', and 'Advances' in 2 this Part are such in respect of which Government incurs a liability to repay the moneys received or has a claim to recover the amounts paid	
	<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>			
442/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
	Parliamentary authorization for payments from the Public Account is therefore not required. 13.2.1		Parliamentary authorization for payments from the Public Account is, therefore, not required.	
	<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>			
443/536	SUBMITTED TEXT	28 WORDS	91% MATCHING TEXT	28 WORDS
	of expenditure to give information to those in responsible position on the basis of which plans for future financial and operating programmes can rest and to aid in making of audit.'			
	<p>SA CC-PA-10.pdf (D164996485)</p>			
444/536	SUBMITTED TEXT	12 WORDS	100% MATCHING TEXT	12 WORDS
	Parliamentary authorization for payments from the Public Account is therefore not required. 13.2.1		Parliamentary authorization for payments from the Public Account is, therefore, not required.	
	<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>			
445/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
	The Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971		The Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971	
	<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>			

446/536	SUBMITTED TEXT	13 WORDS	100% MATCHING TEXT	13 WORDS
<p>The Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971</p> <p>The Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
447/536	SUBMITTED TEXT	37 WORDS	94% MATCHING TEXT	37 WORDS
<p>taxes like Income Tax, Central Excise, Customs and other receipts flowing to the Government in connection with the conduct of Government business i.e. Non-Tax Revenues are credited into the Consolidated Fund constituted under Article 266 (1) of the Constitution of India. ?</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
448/536	SUBMITTED TEXT	37 WORDS	94% MATCHING TEXT	37 WORDS
<p>taxes like Income Tax, Central Excise, Customs and other receipts flowing to the Government in connection with the conduct of Government business i.e. Non-Tax Revenues are credited into the Consolidated Fund constituted under Article 266 (1) of the Constitution of India. ?</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
449/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
450/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p> <p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
451/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
452/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				

453/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
454/536	SUBMITTED TEXT	10 WORDS	88% MATCHING TEXT	10 WORDS
<p>Comptroller and Auditor General of India UNIT 14 COMPTROLLER AND AUDITOR GENERAL OF INDIA</p>				
<p>Comptroller and Auditor General of India: The Comptroller and Auditor General of India</p>				
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
455/536	SUBMITTED TEXT	10 WORDS	88% MATCHING TEXT	10 WORDS
<p>Comptroller and Auditor General of India UNIT 14 COMPTROLLER AND AUDITOR GENERAL OF INDIA</p>				
<p>Comptroller and Auditor General of India: The Comptroller and Auditor General of India</p>				
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
456/536	SUBMITTED TEXT	15 WORDS	70% MATCHING TEXT	15 WORDS
<p>The Comptroller and Auditor General of India is an authority entrusted with the power of</p>				
<p>the Comptroller and Auditor General of India is an authority created by the Constitution of</p>				
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
457/536	SUBMITTED TEXT	27 WORDS	100% MATCHING TEXT	27 WORDS
<p>Goel, S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				
458/536	SUBMITTED TEXT	15 WORDS	70% MATCHING TEXT	15 WORDS
<p>The Comptroller and Auditor General of India is an authority entrusted with the power of</p>				
<p>the Comptroller and Auditor General of India is an authority created by the Constitution of</p>				
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				

459/536	SUBMITTED TEXT	26 WORDS	100% MATCHING TEXT	26 WORDS
	shall not be eligible for further office either under the Government of India or under the Government of any State after he has ceased to hold his office. ?		shall not be eligible for further office either under the Government of India or under the Government of any State after he has ceased to hold his office .	
	<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>			
460/536	SUBMITTED TEXT	26 WORDS	100% MATCHING TEXT	26 WORDS
	shall not be eligible for further office either under the Government of India or under the Government of any State after he has ceased to hold his office. ?		shall not be eligible for further office either under the Government of India or under the Government of any State after he has ceased to hold his office .	
	<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>			
461/536	SUBMITTED TEXT	37 WORDS	100% MATCHING TEXT	37 WORDS
	shall perform such duties and exercise such powers in relation to the accounts of the Union and of the States and of any other authority or body as may be prescribed by or under any law made by Parliament		shall perform such duties and exercise such powers in relation to the accounts of the Union and of the States and of any other authority or body as may be prescribed by or under any law made by Parliament. 20.	
	<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>			
462/536	SUBMITTED TEXT	21 WORDS	100% MATCHING TEXT	21 WORDS
	shall perform such duties and exercise such powers in relation to the accounts of the Union and of the States as		shall perform such duties and exercise such powers in relation to the accounts of the Union and of the states" as	
	<p>W https://www.egyankosh.ac.in/bitstream/123456789/76662/1/Unit-5.pdf</p>			
463/536	SUBMITTED TEXT	106 WORDS	82% MATCHING TEXT	106 WORDS
	<p>of the Union and of the States (Article 150) The accounts of the Union and of the States shall be kept in such form as the President may, on the advice of the Comptroller and Auditor-General of India, prescribe. Audit Reports (Article151) 1. The reports of the Comptroller and Auditor-General of India relating to the accounts of the Union shall be submitted to the president, who shall cause them to be laid before each House of Parliament. 2. The reports of the Comptroller and Auditor-General of India relating to the accounts of a State shall be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State. '</p>			
	<p>SA CC-PA-10.pdf (D165362592)</p>			

464/536	SUBMITTED TEXT	13 WORDS	76% MATCHING TEXT	13 WORDS
	of the Comptroller and Auditor General of India Offices of the Accountants General (of the Comptroller and Auditor General of India in the XX Conference of the Accountants General, 1999 41.	
	W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...			
465/536	SUBMITTED TEXT	13 WORDS	76% MATCHING TEXT	13 WORDS
	of the Comptroller and Auditor General of India Offices of the Accountants General (of the Comptroller and Auditor General of India in the XX Conference of the Accountants General, 1999 41.	
	W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...			
466/536	SUBMITTED TEXT	27 WORDS	67% MATCHING TEXT	27 WORDS
	of the Comptroller and Auditor General of India responsible for compilation of accounts from the initial and subsidiary accounts rendered by the treasuries, offices or departments responsible for keeping		of the Comptroller and Auditor General of India (CAG) to compile the accounts of the Union Government from the initial and subsidiary accounts rendered to his offices by the treasuries, offices or departments responsible for keeping	
	W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...			
467/536	SUBMITTED TEXT	27 WORDS	67% MATCHING TEXT	27 WORDS
	of the Comptroller and Auditor General of India responsible for compilation of accounts from the initial and subsidiary accounts rendered by the treasuries, offices or departments responsible for keeping		of the Comptroller and Auditor General of India (CAG) to compile the accounts of the Union Government from the initial and subsidiary accounts rendered to his offices by the treasuries, offices or departments responsible for keeping	
	W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...			
468/536	SUBMITTED TEXT	19 WORDS	50% MATCHING TEXT	19 WORDS
	Comptroller and Auditor General of India ?Audit Board means the Audit Board constituted by the Comptroller and Auditor General of India		Comptroller and Auditor General of India. (i) "Indian Audit Department" means the officers and establishment, being in India and subordinate to the Comptroller and Auditor General of India,	
	W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf			
469/536	SUBMITTED TEXT	17 WORDS	67% MATCHING TEXT	17 WORDS
	means the offices of the Indian Audit and Accounts Department under the Comptroller and Auditor General of India		means the head the office of Audit and Accounts subordinate to the Comptroller and Auditor General of India,	
	W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf			

470/536	SUBMITTED TEXT	30 WORDS	39% MATCHING TEXT	30 WORDS
<p>of the Comptroller and Auditor General means a report of the Comptroller and Auditor General of India under Article 151 of the Constitution of India or under Section 19A of the</p>		<p>of the Comptroller and Auditor General of India. 2. India'Supreme Audit called the Comptroller and Auditor General of India is an authority created by the of India. Article 148 of the</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
471/536	SUBMITTED TEXT	106 WORDS	82% MATCHING TEXT	106 WORDS
<p>of the Union and of the States (Article 150) The accounts of the Union and of the States shall be kept in such form as the President may, on the advice of the Comptroller and Auditor-General of India, prescribe. Audit Reports (Article151) 1. The reports of the Comptroller and Auditor-General of India relating to the accounts of the Union shall be submitted to the president, who shall cause them to be laid before each House of Parliament. 2. The reports of the Comptroller and Auditor-General of India relating to the accounts of a State shall be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State. '</p>				
<p>SA CC-PA-10.pdf (D164996485)</p>				
472/536	SUBMITTED TEXT	14 WORDS	100% MATCHING TEXT	14 WORDS
<p>means the Comptroller and Auditor General of India appointed under Article 148 of the Constitution</p>		<p>means the Comptroller and Auditor- General of India appointed under Article 148 of the Constitution; (</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
473/536	SUBMITTED TEXT	37 WORDS	26% MATCHING TEXT	37 WORDS
<p>which the Comptroller and Auditor General is to perform under Article 149 of the Constitution of India and the Act. ? Government means the Union Government, the Government of a State and/or Government of the Union Territory as the context may</p>		<p>which the Comptroller and Auditor- General is required by the Constitution or the Government of Union Territories Act, 1963 to submit to the President or the Governor of a State or the Administrator of a Union territory having a Legislative Assembly, as the case may</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
474/536	SUBMITTED TEXT	17 WORDS	96% MATCHING TEXT	17 WORDS
<p>the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 (Act No. 56 of 1971).</p>		<p>THE COMPTROLLER AND AUDITOR-GENERAL'S (DUTIES, POWERS AND CONDITIONS OF SERVICE) ACT, 1971 (Act no. 56 of 1971)</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
475/536	SUBMITTED TEXT	32 WORDS	43% MATCHING TEXT	32 WORDS
<p>accounts of the Union and of the States. It is the duty of the Comptroller and Auditor General to audit receipts and expenditure of the Union and each State and the Union Territory</p>		<p>accounts. 16. Audit of of Union of States—It shall the duty of the Comptroller and Auditor-General to audit all receipts which are payable into the Consolidated of India and of each and of Union territory</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				

476/536	SUBMITTED TEXT	22 WORDS	68% MATCHING TEXT	22 WORDS
<p>the legislature of the State or the Union Territory, as the case may be. The duties of the Comptroller and Auditor General</p>		<p>the Legislature of the State or of the Union territory as the case may be, and where such request has been made, the Comptroller and Auditor-General</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
477/536	SUBMITTED TEXT	23 WORDS	72% MATCHING TEXT	23 WORDS
<p>the Comptroller and Auditor General has the authority: a) To inspect any office of accounts under the control of the Union or of a State</p>		<p>The Comptroller and Auditor-General shall in connection with the performance of his duties under this Act have authority— (a) to inspect any office of accounts under the control of the Union or of a State,</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
478/536	SUBMITTED TEXT	13 WORDS	MATCHING TEXT	13 WORDS
<p>or of a Union Territory having a legislative assembly; Comptroller and Auditor General</p>		<p>84% any Union territory having a Legislative Assembly, Comptroller and Auditor-General</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
479/536	SUBMITTED TEXT	19 WORDS	100% MATCHING TEXT	19 WORDS
<p>accounts, books, papers and other documents which deal with or form the basis of or are otherwise relevant to</p>		<p>accounts, books, papers and other documents which deal with or form the basis of or are otherwise relevant to</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
480/536	SUBMITTED TEXT	19 WORDS	100% MATCHING TEXT	19 WORDS
<p>accounts, books, papers and other documents which deal with or form the basis of or are otherwise relevant to</p>		<p>accounts, books, papers and other documents which deal with or form the basis of or are otherwise relevant to</p>		
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
481/536	SUBMITTED TEXT	46 WORDS	100% MATCHING TEXT	46 WORDS
<p>b) To require that any accounts, books, papers and other documents which deal with or form the basis of or are otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may appoint for his inspection;</p>		<p>b) to require that any accounts, books, papers and other documents which deal with or form the basis of or are otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may appoint for his inspection; (</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				

482/536	SUBMITTED TEXT	90 WORDS	100% MATCHING TEXT	90 WORDS
	<p>c) To put such questions or make such observations as he may consider necessary, to the person in charge of the office and to call for such information as he may require for the preparation of any account or report which it is his duty to prepare. The person in charge of any office or department, the accounts of which have to be inspected and audited by the Comptroller and Auditor General, shall afford all facilities for such inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition.</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>c) to put such questions or make such observations as he may consider necessary, to the person in charge of the office and to call for such information as he may require for the preparation of any account or report which it is his duty to prepare. (2) The person in charge of any office or department, the accounts of which have to be inspected and audited by the Comptroller and Auditor-General, shall afford all facilities for such inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition. 19.</p>	
483/536	SUBMITTED TEXT	33 WORDS	45% MATCHING TEXT	33 WORDS
	<p>Comptroller and Auditor General of India Financial Audit Under the Constitution of India and the Act, it is the duty of the Comptroller and Auditor General to audit and report on the accounts of the Union Government</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>Comptroller and Auditor General of India. The Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 6. Under the Act it is the duty the Comptroller and Auditor General of India (CAG) to compile the accounts of the Government</p>	
484/536	SUBMITTED TEXT	33 WORDS	45% MATCHING TEXT	33 WORDS
	<p>Comptroller and Auditor General of India Financial Audit Under the Constitution of India and the Act, it is the duty of the Comptroller and Auditor General to audit and report on the accounts of the Union Government</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>Comptroller and Auditor General of India. The Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 the Act it is the duty the Comptroller and Auditor General of India (CAG) to compile the accounts of the Government</p>	
485/536	SUBMITTED TEXT	40 WORDS	65% MATCHING TEXT	40 WORDS
	<p>of the Governments of each State and Union Territory having a legislative assembly. These reports are submitted to the President or the Governor of a State or the Administrator of a Union Territory having a legislative assembly, as the case may be,</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>of the of each State and of each Union territory having a Legislative Assembly, shall submit those accounts to the President or the Governor of a State or Administrator of the Union territory having a Legislative Assembly, as the case may be,</p>	
486/536	SUBMITTED TEXT	27 WORDS	85% MATCHING TEXT	27 WORDS
	<p>the Comptroller and Auditor General to audit all expenditure from the Consolidated Fund of India and of each State and of each Union Territory having a legislative assembly.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>the Comptroller and Auditor General are: (a) audit report on expenditure from the Consolidated Fund of India and of each State and each Union Territory having a Legislative Assembly</p>	

487/536	SUBMITTED TEXT	27 WORDS	98% MATCHING TEXT	27 WORDS
<p>the Comptroller and Auditor General to audit all expenditure from the Consolidated Fund of India and of each State and of each Union Territory having a legislative assembly.</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>the Comptroller and Auditor-General— (to audit all expenditure from the Consolidated Fund of India and of each State and of each Union territory having a Legislative Assembly</p>		
488/536	SUBMITTED TEXT	21 WORDS	78% MATCHING TEXT	21 WORDS
<p>to audit all transactions of the Union and of the States and Union Territories relating to Contingency Funds and Public Accounts. (c) Audit</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>to audit all transactions of the Union and of the States relating to Contingency Funds and Public Accounts; (to audit</p>		
489/536	SUBMITTED TEXT	20 WORDS	72% MATCHING TEXT	20 WORDS
<p>all transactions of the Union and of the States and Union Territories relating to Contingency Funds and Public Accounts. (c) Audit of</p> <p>W https://budgetbasics.openbudgetsindia.org/auditing-of-budget</p>		<p>all transactions of the Union and of the States relating to Contingency Funds and Public Accounts; including audit of</p>		
490/536	SUBMITTED TEXT	40 WORDS	96% MATCHING TEXT	40 WORDS
<p>of each State and of each Union Territory having a legislative assembly and to satisfy himself that the rules and procedures are designed to secure an effective check on the assessment, collection and proper allocation of revenue and are being duly observed.</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>of each State and of each Union territory having a Legislative Assembly and satisfy himself that the rules and procedures in that behalf are designed to secure an effective check on the assessment, collection and proper allocation of revenue and are being duly observed</p>		
491/536	SUBMITTED TEXT	14 WORDS	82% MATCHING TEXT	14 WORDS
<p>the Act authorizes the Comptroller and Auditor General to audit and report on the</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>		<p>the Act of 1971 which enjoins the Comptroller and Auditor General to audit and report on the</p>		
492/536	SUBMITTED TEXT	21 WORDS	73% MATCHING TEXT	21 WORDS
<p>the accounts of the stores and the stock kept in any office or department of the Union or of a State</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>the accounts of stores and stock shall be kept in any office or department of the Union or of a State,</p>		
493/536	SUBMITTED TEXT	15 WORDS	62% MATCHING TEXT	15 WORDS
<p>for the intended purpose. Performance Audit Performance audit is an independent assessment or examination of the</p> <p>W https://budgetbasics.openbudgetsindia.org/auditing-of-budget</p>		<p>for the period 2012-13 to 2018-19.' Performance Audit Performance Audit is an independent assessment of the</p>		

494/536	SUBMITTED TEXT	10 WORDS	90% MATCHING TEXT	10 WORDS
<p>of Bodies and Authorities substantially financed from Union or State Revenues</p>		<p>of (i) all bodies and authorities 'substantially financed' from the Union or State revenues; (</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
495/536	SUBMITTED TEXT	24 WORDS	52% MATCHING TEXT	24 WORDS
<p>of the Act Section 14(1) of the Act authorizes the Comptroller and Auditor General to audit the receipts and expenditure of a body or authority</p>		<p>of the company. 30. Section 14 of the s Act authorizes the to audit all receipts and expenditure of any body or authority</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
496/536	SUBMITTED TEXT	24 WORDS	52% MATCHING TEXT	24 WORDS
<p>of the Act Section 14(1) of the Act authorizes the Comptroller and Auditor General to audit the receipts and expenditure of a body or authority</p>		<p>of the company. 30. Section 14 the CAG's Act authorizes the to audit all receipts and expenditure of any body or authority</p>		
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
497/536	SUBMITTED TEXT	12 WORDS	76% MATCHING TEXT	12 WORDS
<p>in a financial year is not less than rupees twenty-five lakh and</p>		<p>in a financial year is not less than Rupees five lakhs and</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
498/536	SUBMITTED TEXT	18 WORDS	92% MATCHING TEXT	18 WORDS
<p>the amount of such grant or loan is not less than seventy-five per cent of its total expenditure</p>		<p>the amount of such grant or loan is not less than seventy five per cent of the total expenditure</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
499/536	SUBMITTED TEXT	12 WORDS	76% MATCHING TEXT	12 WORDS
<p>subject to the provisions of any law applicable to the body or authority.</p>		<p>subject to the provisions of any law for the time being in force applicable to the body or authority,</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
500/536	SUBMITTED TEXT	45 WORDS	93% MATCHING TEXT	45 WORDS
<p>the Comptroller and Auditor General may, with the previous approval of the President or the Governor of a State or the Administrator of a Union Territory having a legislative assembly, as the case may be, audit all receipts and expenditure of a body or authority where the</p>		<p>the Comptroller and Auditor-General may with the previous approval of the President or the Governor of a state of the Administrator of a Union Territory having a Legislative Assembly, as the case may be, audit all receipts and expenditure of any body or authority where the</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				

501/536	SUBMITTED TEXT	18 WORDS	76% MATCHING TEXT	18 WORDS
<p>the case may be, audit all receipts and expenditure of a body or authority where the amount of Government</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>the CAG may audit all receipts and expenditure of a body or authority if the amount of Government</p>		
502/536	SUBMITTED TEXT	18 WORDS	76% MATCHING TEXT	18 WORDS
<p>the case may be, audit all receipts and expenditure of a body or authority where the amount of Government</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>the CAG may audit all receipts and expenditure of a body or authority if the amount of Government</p>		
503/536	SUBMITTED TEXT	33 WORDS	66% MATCHING TEXT	33 WORDS
<p>continue to audit its receipts and expenditure for a further period of two years even if the conditions stated in sub-section (1) or (2) are not satisfied during any of the two subsequent years.</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>continue to audit the receipts and expenditure of that body or authority for a further period of two years notwithstanding that the conditions specified in sub- section (1) or sub-section (2) are not fulfilled during any of the two subsequent years."</p>		
504/536	SUBMITTED TEXT	45 WORDS	96% MATCHING TEXT	45 WORDS
<p>where any grant or loan is given for any specific purpose from the Consolidated Fund of India or of any State or of any Union Territory having a legislative assembly to any authority or body, not being a foreign state or international organization, the Comptroller and Auditor General</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>Where any grant or loan is given for any specific purpose from the Consolidated Fund of India or of any State or of any Union territory having a Legislative Assembly to any authority or body, not being a foreign State or international the Comptroller and Auditor-General</p>		
505/536	SUBMITTED TEXT	20 WORDS	100% MATCHING TEXT	20 WORDS
<p>to scrutinize the procedures by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>to scrutinize the procedures by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which</p>		
506/536	SUBMITTED TEXT	20 WORDS	MATCHING TEXT	20 WORDS
<p>to scrutinize the procedures by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>100% to scrutinize the procedures by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which</p>		

507/536	SUBMITTED TEXT	24 WORDS	88% MATCHING TEXT	24 WORDS
<p>the procedures by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which such grants or loans were given. 2.</p>		<p>the procedure by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which such grants or loans were given</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
508/536	SUBMITTED TEXT	35 WORDS	73% MATCHING TEXT	35 WORDS
<p>The President or the Governor of a State or the Administrator of a Union Territory having a legislative assembly, as the case may be, if he is of the opinion that it is necessary to do</p>		<p>the President or the Governor of a State or the Administrator of a Union territory having a Legislative Assembly, as the case may be, is satisfied that it is expedient so to do</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
509/536	SUBMITTED TEXT	21 WORDS	91% MATCHING TEXT	21 WORDS
<p>relieve the Comptroller and Auditor General from making any such scrutiny in respect of any body or authority receiving such grant or loan. (</p>		<p>relieve the Comptroller and Auditor-General, after consultation with him, from making any such scrutiny in respect of any body or authority receiving such grant or loan. (2)</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
510/536	SUBMITTED TEXT	135 WORDS	94% MATCHING TEXT	135 WORDS
<p>of the Act, the Governor of a State or the Administrator of a Union Territory having a legislative assembly may, where he is of the opinion that it is necessary in the public interest so to do, request the Comptroller and Auditor General to audit the accounts of a corporation established by law made by the legislature of the State or of the Union Territory, as the case may be, and where such request has been made, the Comptroller and Auditor General shall audit the accounts of such corporation and shall have, for the purposes of such audit, right of access to the books and accounts of such corporation. No such request shall be made except after consultation with the Comptroller and Auditor General and after giving reasonable opportunity to the corporation to make representation with regard to the proposal for such audit. Audit of</p>		<p>of the respective The Governor of a State or the Administrator of a Union territory having a Legislative Assembly may, where he is of opinion that it is necessary in the public interest so to do, request the Comptroller and Auditor-General to audit the accounts of a corporation established by law made by the Legislature of the State or of the Union territory as the case may be, and where such request has been made, the Comptroller and Auditor-General shall audit the accounts of such corporation and shall have, for the purpose of such audit right of access to the books and accounts of such corporation : Provided no such request shall be made except after consultation with the Comptroller and Auditor-General and after giving reasonable opportunity to the corporation to make representations with regard to the proposal for such audit. 20. Audit of</p>		
<p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>				
511/536	SUBMITTED TEXT	23 WORDS	MATCHING TEXT	23 WORDS
<p>Section 19 of the Act, the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of</p>		<p>70% Section 19 (2) of the Act, the duties and powers of the in relation to the audit of the accounts of</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				

512/536	SUBMITTED TEXT	23 WORDS	70% MATCHING TEXT	23 WORDS
<p>Section 19 of the Act, the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>Section 19 (2) of the Act, the duties and powers of the in relation to the audit of the accounts of</p>		
513/536	SUBMITTED TEXT	20 WORDS	97% MATCHING TEXT	20 WORDS
<p>the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of Government companies</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>The duties and powers of the Comptroller and Auditor-General in relation to the audit of the accounts of Government companies</p>		
514/536	SUBMITTED TEXT	16 WORDS	100% MATCHING TEXT	16 WORDS
<p>shall be performed and exercised by him in accordance with the provisions of the Companies Act, 1956. (</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>shall be performed and exercised by him in accordance with the provisions of the Companies Act, 1956. (2)</p>		
515/536	SUBMITTED TEXT	13 WORDS	76% MATCHING TEXT	13 WORDS
<p>a deemed Government company shall be appointed by the Comptroller and Auditor General</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>a Government company shall be appointed or re-appointed by the Comptroller and Auditor-General</p>		
516/536	SUBMITTED TEXT	13 WORDS	76% MATCHING TEXT	13 WORDS
<p>a deemed Government company shall be appointed by the Comptroller and Auditor General</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>a Government company shall be appointed or re-appointed by the Comptroller and Auditor-General</p>		
517/536	SUBMITTED TEXT	42 WORDS	57% MATCHING TEXT	42 WORDS
<p>The Comptroller and Auditor General is authorized to: ?Direct the manner in which the statutory auditor shall audit the accounts of the company and to give to such auditor instructions in regard to any matter relating to the performance of his functions as such;</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>The Comptroller and Auditor-General of India shall have power- 2 (a) To direct the manner in which the company's accounts shall be audited by the auditor appointed in pursuance of sub-section (2) and to give such auditor instructions in regard to any matter relating to the performance of his functions as such. (</p>		
518/536	SUBMITTED TEXT	42 WORDS	57% MATCHING TEXT	42 WORDS
<p>The Comptroller and Auditor General is authorized to: ?Direct the manner in which the statutory auditor shall audit the accounts of the company and to give to such auditor instructions in regard to any matter relating to the performance of his functions as such;</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>The Comptroller and Auditor-General of India shall have power- 1 (a) To direct the manner in which the company's accounts shall be audited by the auditor appointed in pursuance of sub-section (2) and to give such auditor instructions in regard to any matter relating to the performance of his functions as such. (</p>		

519/536	SUBMITTED TEXT	55 WORDS	82% MATCHING TEXT	55 WORDS
<p>local bodies. The local fund auditor, who is generally an officer of the State Government, is responsible for audit of panchayati raj institutions and urban local bodies. In the states of Bihar, Jharkhand and West Bengal, the Examiner of Local Fund Accounts, who is an officer of the Comptroller and Auditor General, is responsible for the audit of</p>		<p>local bodies. The local fund auditor, who is generally an officer of the state government, is responsible for the audit of the Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs). In the states of Bihar, Jharkhand and West Bengal, the Examiner of Local Fund Accounts, attached to the office of the Comptroller and Auditor General, is responsible for auditing the accounts of</p>		
<p>W https://budgetbasics.openbudgetsindia.org/auditing-of-budget</p>				
520/536	SUBMITTED TEXT	14 WORDS	76% MATCHING TEXT	14 WORDS
<p>and Z of the Constitution, the legislature of a State may, by law,</p>				
<p>SA Public financial administration.docx (D166323443)</p>				
521/536	SUBMITTED TEXT	32 WORDS	47% MATCHING TEXT	32 WORDS
<p>Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 2(e) of the Act authorizes the Comptroller and Auditor General to audit and report on the accounts of the</p>		<p>Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act 1971 4. The reports of the Comptroller and Auditor General of India in relation the accounts of the</p>		
<p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>				
522/536	SUBMITTED TEXT	32 WORDS	47% MATCHING TEXT	32 WORDS
<p>Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 2(e) of the Act authorizes the Comptroller and Auditor General to audit and report on the accounts of the</p>		<p>Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act 1971 4. The reports of the Comptroller and Auditor General of India in relation the accounts of the</p>		
<p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>				
523/536	SUBMITTED TEXT	39 WORDS	96% MATCHING TEXT	39 WORDS
<p>The reports of the Comptroller and Auditor-General of India relating to the accounts of the Union shall be submitted to the president, who shall cause them to be laid before each House of Parliament. ?The Comptroller and Auditor General of India</p>				
<p>SA CC-PA-10.pdf (D165362592)</p>				
524/536	SUBMITTED TEXT	13 WORDS	76% MATCHING TEXT	13 WORDS
<p>of the Act, the duties and powers of the Comptroller and Auditor General</p>		<p>of the States or the Union. 3.9.2 Duties and Powers of the Comptroller and Auditor General</p>		
<p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				

525/536	SUBMITTED TEXT	23 WORDS	70% MATCHING TEXT	23 WORDS
<p>Section 19 of the Act, the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>Section 19 (2) of the Act, the duties and powers of the in relation to the audit of the accounts of</p>		
526/536	SUBMITTED TEXT	23 WORDS	70% MATCHING TEXT	23 WORDS
<p>Section 19 of the Act, the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>Section 19 (2) of the Act, the duties and powers of the in relation to the audit of the accounts of</p>		
527/536	SUBMITTED TEXT	35 WORDS	98% MATCHING TEXT	35 WORDS
<p>the duties and powers of the Comptroller and Auditor General in relation to the audit of accounts of Government companies shall be performed and exercised by him in accordance with the provisions of the Companies Act, 1956. ?The</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>The duties and powers of the Comptroller and Auditor-General in relation to the audit of the accounts of Government shall be performed and exercised by him in accordance with the provisions of the Companies Act, 1956. (2) The</p>		
528/536	SUBMITTED TEXT	16 WORDS	100% MATCHING TEXT	16 WORDS
<p>section 14(1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971</p> <p>W https://uttarakhandaudit.uk.gov.in/files/FINBOOK/APPENDICES_V.pdf</p>		<p>section 26 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971,</p>		
529/536	SUBMITTED TEXT	16 WORDS	90% MATCHING TEXT	16 WORDS
<p>of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 authorize the</p> <p>W http://documents1.worldbank.org/curated/en/163031468259136649/pdf/688970ESW0P0730Draft0April02700 ...</p>		<p>of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and the</p>		
530/536	SUBMITTED TEXT	16 WORDS	90% MATCHING TEXT	16 WORDS
<p>of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 authorize the</p> <p>W https://openknowledge.worldbank.org/bitstream/handle/10986/12522/688970ESW0P0730Draft0April027002 ...</p>		<p>of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and the</p>		
531/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				

532/536	SUBMITTED TEXT	14 WORDS	89% MATCHING TEXT	14 WORDS
<p>and B.L. Sadana . 2014. Public Administration in Theory and Practice. New Delhi: Kitab Mahal.</p> <p>and B.L. Sadana. 1992. Public Administration in Theory and Practices. New Delhi: Kitab Mahal.</p> <p>W https://ddceutkal.ac.in/Syllabus/MA_PUB_ADD/Administrative_Theory.pdf</p>				
533/536	SUBMITTED TEXT	10 WORDS	100% MATCHING TEXT	10 WORDS
<p>Fadia, B.L. and Kuldeep Fadia. 2011. Public Administration. Agra: Sahitya Bhawan.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				
534/536	SUBMITTED TEXT	14 WORDS	86% MATCHING TEXT	14 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001.</p> <p>SA Public financial administration.docx (D166323443)</p>				
535/536	SUBMITTED TEXT	26 WORDS	100% MATCHING TEXT	26 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D165362592)</p>				
536/536	SUBMITTED TEXT	26 WORDS	100% MATCHING TEXT	26 WORDS
<p>Goel. S.L. 2008. Public Financial Administration. New Delhi: Deep and Deep Publications. Singh, S.K. 2001. Public Finance in Theory and Practice . New Delhi: S. Chand & Company Ltd.</p> <p>SA CC-PA-10.pdf (D164996485)</p>				