

Government of India  
Ministry of Finance  
Department of Expenditure  
Controller General of Accounts  
7<sup>th</sup> Floor, LokNayakBhawan  
Khan Market, New Delhi-110511

Date: 12-11-2015

OFFICE MEMORANDUM

**Subject:** Preparation of Budget Estimates/ Revised Estimates (Appropriation/ Re-appropriation, Supplementary etc.)

It has been observed that contrary to the provisions of GFR 2005, the heads of accounts with 'Nil' budget have been depicted in the Detailed Demands for Grants (DDGs) of certain Ministries. The note below para 2 of Appendix 4 of GFR 2005 provides that *a sub-head should appear in the Demand only when there is provision there under either in the current year or the ensuing year.* Hence, the heads appearing in the DDGs without any budget provision have no significance. Such heads do not exist at all and hence, no fund can be re-appropriated to such heads. Despite this, re-appropriations to such heads have been made by Ministries which are not in order. These Ministries/ Departments are facing difficulties in uploading data in PFMS module due to this incorrect practice.

2. The matter has been discussed with the Jt. CGA (PFMS) and it has been decided that the Chief Controllers of Accounts/ Controllers of Accounts of the respective Ministries/ Departments would be responsible for the correctness of the re-appropriation in consultation with the Budget Division and key in, the same, in PFMS module. **This facility has been provided in the PFMS module for this year as a temporary measure.** From next year onward, proper procedure of budget preparation should be followed to avoid such problems.

3. Hence, while preparing the BE and RE in the next year, it should be ensured that *provisions of GFR 2005 (Appendix 4) should be followed strictly and no head without any budget provision is depicted in the DDGs.* The CCAs/ CAs are directed to reiterate these instructions to the concerned authorities.

4. The heads which do not exist in the DDG should be dealt as per Rule 57 of GFR 2005 and provisions of Appendix 3 and Appendix 6 of GFR 2005 may be followed for obtaining 'Token' demand or supplementary grant/ re-appropriation etc.

This issues with the approval of the Competent Authority.



(Shailendra Kumar)  
Deputy Controller General of Accounts

To:

1. All Pr. CCAs/ CCAs/ CAs

2. Jt. CGA (PFMS)

3. Sr. AO (ITD) for uploading on website.