

## CHAPTER-III

### RAILWAY BUDGET

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Ministry of Railways ( Railway Board )

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## CHAPTER III

### RAILWAY BUDGET

#### Section I-GENERAL

**301. Budget - A Constitutional and Management Document** -Article 112(1) of the Constitution of India prescribes that 'the President shall in respect of every financial year cause to be laid before both the Houses of Parliament a statement of the estimated receipts and expenditure of the Government of India for that year' referred to as the "annual financial statement" and popularly called the "Annual Budget". Though the constitutional requirement is only that the 'financial statement' shall contain a statement of the estimated receipts and expenditure for the coming financial year, as a matter of practice, every budget contains three elements-

- (a) a review of the preceding year, including the actual receipts and expenditure in that year ;
- (b) an estimate of the receipts and expenditure of the coming year; and
- (c) proposals, if any, for meeting the requirements of the coming year.

Though the Constitution does not provide for the presentation of the annual financial statement or Budget in parts, the Rules of Procedure of Parliament have provided that 'nothing shall be deemed to prevent the presentation of the Budget to the House in two or more parts and when such presentation takes place, each part shall be dealt with in accordance with the rules as if it were the Budget'. This provision has enabled the Separation of the Railway Budget from the General Budget and the passing of separate Appropriate Acts for each of these Budgets in keeping with the Separation Convention (1924). The Railway Budget is, therefore, presented to both Houses of Parliament separately from and ahead of the General Budget. Though the Railway Budget is separately presented to Parliament, the figures relating to the receipts and expenditure of the Railways are also shown in the General Budget, since the receipts and expenditure of the Railways are part of the total receipt and expenditure of the Government of India.

**302. Voted and Charged Expenditure** -Article 112(2) of the Constitution prescribes that the estimates of expenditure embodied in the annual financial statement shall show separately-

- (a) the sums required to meet expenditure charged upon the Consolidated Fund of India ; and
- (b) the sums required to meet other expenditure proposed to be made from the Consolidated Fund of India

The expenditure proposed in the Budget may, therefore, be either (i) Voted. or (ii) Charged. Article 113(1) of the Constitution provides that 'the estimates of expenditure charged upon the Consolidated Fund of India shall not be submitted to the vote of Parliament'. There is, however, no restriction on either House of Parliament discussing any of these estimates, where after funds are sanctioned by the President.

Article 113(2) requires that estimates of voted expenditure "shall be submitted in the form of demands for grants to the House of the People (Lok Sabha) and the House of the People shall have power to assent, or to refuse to assent, to any demand, or to assent to any demand subject to a reduction of the amount specified therein".

Article 113(3) enjoins that no demand for a grant shall be made except on the recommendation of the President.

**303. Charged Expenditure** -In respect of Railways, the following expenditure is "charged" on the Consolidated Fund of India-

- (i) The salary, allowances and pension payable to or in respect of the Comptroller and Auditor General of India;
- (ii) Any sums required to satisfy any judgement, decree or award of any Court or awards by Arbitrators where made into rule of court ; and
- (iii) Any other expenditure declared by the Constitution or by Parliament by law to be so charged.

**304** Apart from its significance as an instrument of Parliamentary financial control, the Railway Budget is an important management tool. Broadly the financial forecast in the Budget is related to the performance targets set for Railway Administrations, and it is the responsibility of the Railway Managements to ensure the achievement of these associated targets.

### DEMANDS FOR GRANTS

**305** The proposals of Government in respect of sums required to meet expenditure from the Consolidated Fund of India are to be submitted in the form of "Demands for Grants" to the Lok Sabha. The Demands shall be for gross expenditure ; the credits or recoveries (vid [paragraph 335](#)) being shown in the form of footnotes to Demands.

**306** Pursuant to the recommendations of Railway Convention Committee 1971, a Task Force was constituted by the Government in July 1973 to examine certain aspects of budgetary, accounting and management practices on the Railways. In their First Report the Task Force made recommendations for the restructuring of the Formats and Contents of Demands for Grants and the manner in which the Railway Budget should be prepared. The recommendations made by the Task Force alongwith Government's decisions thereon have been considered by the Estimates Committee (1978-79) (Sixth lok Sabha); and the Formats and Contents of Restructured Demands for Grants effective from 1 st April, 1979 are given in [Annexure I](#).

The salient features of restructured Demands for Grants are as under :-

(i) Expenses are broadly grouped by activities as an aid to developing budgets and analysing actual expenses against budgetted expenses.

(ii) The Demands No. 1, 2 & 3 are in the nature of general on-cost, Demand 1 & 2 covering all Railways and Demand 3 individual Railway Administrations.

(iii) There is a single works Demand for all works Expenditure irrespective of source of financing.

(iv) Each Demand has two-way classification by activity and by Primary units of expenditure. The activity classification identifies 'why' an expense item is incurred. The behaviour of costs in relation to changes in traffic volumes at each activity location thus provides a data base for revising the budget in response to changing volumes of output. The primary unit (object) of expenditure on the other hand, identifies 'what' the expense item denotes, i. e., by way of labour, materials etc. Such a breakdown facilitates concurrent cost and budgetary control for it pin points the types of expenses on which the organisational unit should concentrate to improve its performance. The primary units also indicate the categories of expenses that would be used by any organisational unit to prepare its budget and monitor the variances from the norms set up by it.

(v) The Budget classifications have been completely aligned with the Accounting classifications.

The system is simple in structure and is intended to exploit fully the capabilities of Electronic Data Processing equipment to analyse revenue expenses by activities for management/parliamentary reporting and by primary units for expenditure control at the responsibility cost centres where the expenditure is incurred. For Works Expenditure, the classification provides a direct link-up with the Plan heads.

The functional orientation of both the Budgetary Demands for Grants and the accounting classification ensures a complete concordance between the sub-heads of the Demand for Grants and minor heads of accounting classification on the one hand and the detailed activity classification of the Demands for Grants with the Sub heads of Accounting Classification on the other.

(vi) The Demands for Grants are to be presented in two Parts:

- Part I-All Railways
- Part II-Individual Railways

Each, Part will have 3 sub-divisions-

- (a) Sub-heads of the Demands representing major functions/activities.
- (b) Detailed Heads representing a further break-up of the activity of classification i.e. identifying 'why' of the expenditure in greater detail.
- (c) Primary Units (Objects of Expenditure) identifying 'what' the expenditure denotes i. e.--

- Salary
- Wages
- Allowances

Materials, etc.

(vii) The activity classification combined with the accounting by primary units of expenditure provides a built-in mechanism for isolating fixed costs like general administration and permanent sanctioned labour from variable and semi-variable costs like cost of materials, cost of temporary labour, travel expenses, incentive, running allowances etc. The scheme is however, by no means such as to correlate expenditure directly with units of performance.

To make the Budget serve as a useful tool of management and also to enable better appreciation of the functioning of the Railways in Parliament and elsewhere a scheme of performance budgeting has been introduced. The performance budget seeks to present the budget of the Railways in terms of important functions and activities. The correlation between the financial inputs and the corresponding physical outputs under major activities is furnished as an annexure to the respective Demands.

**307** The authorities responsible for control over expenditure against budget provision in each Demand are given in Annexure I.

For the preparation of the Budget by the Railway Board, the Railway Administrations and other authorities empowered to incur expenditure are required to submit to the Railway Board their revised estimates for the current year and budget estimates for the following year on the dates prescribed below :-

Estimate of Earnings	-	20th December
Revenue Demands 2 to 15	-	1 st December
Civil Estimates	-	15th December
Works Demand 16	-	23rd December

The revised estimates are required in respect of the current year and Budget Estimates for the following year. The forms in which the estimates should be prepared are furnished each year by the Railway Board to the authorities concerned and the instructions for the filling up of the forms are printed on the back thereof. A list of the Budget Forms is at [Annexure II](#).

**308** **Glossary of terms used**-The following is a glossary of the terms which the Railway Administrations should use in their estimates and other connected documents. The terminology given in the glossary should be followed uniformly by all Railway Administrations and no departure should be made therefrom in any circumstances:

**GLOSSARY OF TERMS**

(i)	Coaching Earnings (less refunds)
(ii)	Goods Earnings (less refunds)
(iii)	Traffic Earnings = (i)+(ii)
(iv)	Sundry Other Earnings (less refunds)=Other than Traffic Earnings.
(v)	Gross Earnings = (iii)+(iv) = true or accrued earnings in an accounting period whether or not actually realised.
(vi)	Suspense.
(vii)	Gross Receipts = (v)+(vi) = Earnings actually realised during an accounting period.
(viii)	Miscellaneous Receipts = Guarantee recoverable from State Governments + Other Miscellaneous Receipts, such as Government share of surplus profits, sale of land of subsidized companies, receipts from surcharge on Passenger fares, etc.
(ix)	Total Revenue Receipts = (vii)+(viii).
(x)	Ordinary Working Expenses = Expenses booked under final heads, excluding appropriation to Depreciation Reserve Fund, and Pension Fund. (Payments on account of accident compensation and Pensionary Payments should also be excluded).
(xi)	Appropriation to Depreciation Reserve Fund.
(xii)	Appropriation to Pension Fund.
(xiii)	Gross Working Expenses = (x)+(xi)+(xii) = True expenses in an accounting period whether or not actually disbursed.

(xiv)	Suspense.
(xv)	Gross Expenditure = (xiii) + (xiv) = Working Expenses actually disbursed during an accounting period.
(xvi)	Miscellaneous expenditure = Surveys + Land for subsidized companies; subsidy + other Miscellaneous Railway expenditure, Appropriations to Pension Fund relating to Railway Board and Miscellaneous establishments booked under grants 1 & 2 and Accident Compensation, Safety and Passenger Amenities Fund and Open Line Works (Revenue) expenditure, and payments to worked lines.
(xvii)	Total Revenue Expenditure = (xv)+(xvi).
(xviii)	Net earnings = (v) - (xiii).
(xix)	Net Receipts = (ix) - (xvii).
(xx)	Payments to General Revenues.
(xxi)	Surplus/Shortfall= (xix)-(xx).
Note.-	The "Surplus or Shortfall" shown in item (xxi) differs from the "gain or loss" given in Account No. 110 of the Finance and Revenue Accounts of the Government of India, as besides dividend, the former takes into account all the Miscellaneous Receipts (viii) and Expenditure. (xvi) attributable to a Railway, whereas the latter does not.
(xxii)	Capital-at-charge represents the Central Government's investment in the Railways by way of Loan Capital and value of the assets created there from.

## Section II -PREPARATION OF BUDGETS BY RAILWAY ADMINISTRATIONS.

**309 Responsibility for framing the Estimates.-** Preparation of the Revised and Budget Estimates should commence at the 'grass root level', i.e., Division, Workshop, Stores Depot etc., as the case may be. The entire responsibility for framing the estimates devolves upon the spending/earning authorities concerned, though the actual work of compilation and scrutiny would rest with the Financial Adviser and Chief Accounts Officer who would also draw the attention of the General Manager to matters of purely financial import.

**310** The estimates should be as accurate as possible and, to achieve this object, care should be taken to see that the data on which the forecast is based is adequate and reliable and that the conclusions arrived at from the data can be sustained by past experience and future expectations of likely events.

**311** No stereotyped method of estimating will be helpful in forecasting accurately, unless the data on which the forecast is based is selected with due care and all the useful knowledge is brought to bear on the conclusions to be derived from the data. The manner in which the data required for the preparation of the estimate should be collected is, therefore, left to the General Managers, but the general principles on the basis of which the various estimates should be framed are described, wherever necessary, in the following paragraphs.

**312** The Revised and Budget Estimates should be framed by the various concerned authorities in keeping with the instructions given below separately for-

- (i) Gross Receipts ;
- (ii) Ordinary Working Expenses;
- (iii) Payments to Worked Lines ;
- (iv) Appropriation to and expenditure to be met out of Railway Funds ;
- (v) Payment to General Revenues ;
- (v) Works Expenditure ; and
- (vii) Civil Estimates

## GROSS RECEIPTS

**313** The estimates of Gross Receipts are required in the form (item (1) of [Annexure II](#)) and should be prepared in quadruplicate, the various figures being given in thousands of rupees. Information should be furnished in accordance with the instructions printed on the reverse of the form (item (1) of [Annexure II](#)). Two sets of the estimates of earnings should be prepared, one on the basis of originating earnings and the other with reference to apportioned earnings. The two sets of figures should be sent to the Railway Board both for the Revised Estimates for the current year and the Budget Estimates for the following year.

**314 Coaching Earnings:-** Earnings from each class of passenger traffic viz., Air conditioned , First and Second, should be estimated on the basis of passenger kilometres and the average fare per passenger kilometre for each class separately. The earnings from parcels traffic should be estimated in the same way as for goods traffic, and from military traffic should be assessed on the basis of the previous actuals and the influence of changing conditions in the future. The earnings from coaching traffic, other than passenger, parcel and military traffic, may be estimated on the basis of a ratio of the earnings from passenger traffic to be determined with reference to the previous actuals.

**315 Goods Earnings -** Estimate for the commodities which, yield the bulk of the Railway's revenue, should be based on the anticipated net tonne kilometres (NTKM) to be carried, and the average yield per NTKM, for each commodity. The earnings from the rest of the commodities should be assessed in lump sum, based on the trend of events in the immediate past, the experience of the past years and, so far as it is possible to ascertain, the influence of changing conditions in the future.

**316 Sundry Other Earnings .-**The miscellaneous earnings of a railway are derived mainly from the following sources :-

- (i) Telegraph;
- (ii) Rent and tolls ;
- (iii) Commercial Publicity ;
- (iv) Catering ;
- (v) Sale proceeds of grass and trees ; and
- (vi) Interest and maintenance charges on account of assisted sidings, saloons, postal vehicles, etc.

The earnings from these sources are comparatively small and should be estimated on the basis of previous actuals and any other circumstances that may be known or foreseen at the time.

**317 Receipts of Worked Lines** –The receipts of worked lines should be included in the receipts of the main lines under the several sub-heads and also the total should be shown separately in the estimates.

**318 Refunds of Revenue** –The figures of refunds of revenue should be deducted from the estimated receipts under each sub-head and the figures for gross receipts should be given net (after deduction of refunds).

**319 Explanation of variations in receipts** - The estimates should be accompanied by a brief narrative explanation of the figures of actual earnings for the first seven months of the current year, especially if they show any pronounced change from those for the corresponding period of the preceding year. For example, if the earnings from second class traffic have risen or fallen markedly, the narrative explanation should state what, in the General Manager's opinion, is the reason for so large a change in the number of passengers carried or the average distance travelled by them; if goods traffic in certain commodities has been exceptionally brisk or dull, the commodities affected should be specified, and so on. Similar explanations should be given of the figures adopted by the General Manager for the revised estimate for the remaining period of the current year, and for the budget estimates for the ensuing year.

**320** The estimates of earnings under each category should be shown separately for "local" and "interchanged" traffic and an analysis furnished indicating the trend of realisation in the current year as compared to the previous year. It must be ensured that figures for interchanged traffic take into account the latest position of both "outward" and "inward" transactions and the period upto which the earnings have been realised should, also be indicated. The Railway-wise details of the realisations/ anticipated realisations, indicating also the period upto which these relate, should be furnished. Judicious and purposeful use should be made of the periodic statement of approximate earnings on originating basis as well as of the monthly digest of current trends in economic conditions of Railway Transport circulated to the Railway Administrations by the Director, Statistics and Economics, Railway Board.

**321** The estimates of originating goods traffic (in tonnes) based on the actuals of the first 7 months and expectations for the last 5 months of the current year should be given separately for (i) traffic moved to and from the steel plants by principal categories (other than coal) such as raw materials, finished products like steel manufactures, pig iron and alloy steel, (ii) Coal for Steel Plants, Washeries, and other users, (iii) Cement, (iv) Export ore, (v) Fertilisers, (vi) POL products, (vii) Food grains, and (viii) General Goods. The increase/decrease anticipated in the originating tonnage during the current year over that of the preceding year under each of the categories of goods traffic mentioned above should also be given specifically in a statement annexed to the earnings estimates. The annexure to the Earnings Estimates (item (2) of Annexure II) indicating certain selected commercial and operating statistical data for the purpose of establishing a better link between the estimates of earnings and working expenses, should be completed in all respects and sent with the estimates of earnings. Additionally, the approximate amount of increase in earnings due to the opening of new lines, as well as the consequent increase on existing lines, should be stated, as far as possible, separately for the information of the Railway Board.

**322** Variations under Passenger, Goods and Other Coaching earnings on account of the effect of increase/adjustments, if any, in fares and freights as compared to the increases provided in the Budget Estimates for the year should be separately explained. The revised estimates of earnings should, therefore, have a proper correlation to the latest traffic anticipations as revealed from the originating, cross and received traffic figures.

**323 Review of Traffic Outlook** - These explanations are required not only to enable the Railway Board to judge whether the estimates are reasonable, but also to assist them in explaining them to the Parliament. What in fact is wanted from the General Manager is a very brief review of the traffic outlook for the current and ensuing years which can be used for assessing the total traffic prospects of the Railways. The actual form in which this brief review should be rendered each year is left entirely to the discretion of the General Manager; the Railway are particularly desirous that it should not be stereo typed .

#### ORDINARY WORKING EXPENSES

324. The estimates of Working expenses required from Railway Administrations are so arranged that sub-heads of Demands 3 to 14 as detailed in Annexure I, are in alignment with minor heads of Accounting Classification under Abstracts A to N. The order in which the Demands 3 to 14 correspond to Abstracts A to N is as shown below ;

Demand No.	Name of Demand	Name of abstract under Revised Accounting Classification
3	General Superintendence & services on Railways	A- General Superintendence & Services.
4	Repairs & Maintenance of Way & Works	B- Repairs & Maintenance, Way & Works
5	Repairs & Maintenance of Motive Power	C- Repairs & Maintenance of Motive Power.
6	Repairs & Maintenance of Carriages & Wagons	D- Repairs & Maintenance of Carriages & Wagons.
7	Repairs & Maintenance of Plant & Equipment	E - Repairs & Maintenance of Plant and Equipment.
8	Operating Expenses-Rolling Stock & Equipment	F- Operating Expenses -Rolling Stock & Equipment.
9	Operating Expenses-Traffic	G--Operating Expenses-Traffic.
10.	Operating Expenses-Fuel	H-Operating Expenses-Fuel.
11.	Staff Welfare & Amenities	J-Staff Welfare & Amenities.
12.	Misc. Working Expenses	{ K-Misc. Working Expenses. N-Suspense. }
13.	Provident Fund, Pension & other Retirement Benefits	L-Provident Fund Pension and other Retirement Benefits.
14.	Appropriation to Funds	M-Appropriation to Fund.

A few examples of concordance between the sub head of the restructured Demands for Grants and the minor heads of revised accounting classification are also given below :-

Demand No.	Sub-heads of Demands	Abstract No.		Minor Heads of Accounting Classification.
3, General, Superintendence & Services	(a) General Management including General Management Services	A.	100	General Management including general management services.

	(b) Financial Management (c) Personnel Management (d) Materials Management (e) Way & Works Management (f) Rolling Stock Management (g) Electrical Management	A. A. A. A. A. A.	200 300 400 500 600 700	Financial Management. Personnel Management. Materials Management. Way & Works Management. Rolling Stock Management. Electrical Management
	(h) Signalling & Tele-com Management	A. A.	800	S. & T. Management.
	(i) Traffic Management		900	Traffic Management.
4. Repairs and Maintenance Way & Works	(a) Cost of establishment in subordinate offices	B.	100	Establishment in subordinate offices
	(b) Maintenance of P. Way	B	200	Maintenance of P. Way.
	(c) Maintenance of Bridges & Tunnels	B	300	Maintenance of Bridges & Tunnels.
	(d) Maintenance of Service Buildings	B.	400	Maintenance of Service Buildings
	(e) Water Supply, Sanitation & Roads excluding colonies staff qrs. and welfare building	B.	500	Water Supply, sanitation, etc. (other than colonies, staff quarters & welfare buildings.)
	(f) Other repairs & maintenance	B.	600	Other repairs & maintenance.
	(g) Special, repairs pertaining to breaches, accidents including special revenue works.	B.	700	Special repairs pertaining to breaches accidents etc. including special revenue works.

A separate estimate is required in respect of each demand under the sub and detailed heads shown in Annexure.I in the relevant forms listed in Annexure II conforming generally to the following proforma:-

Actuals (past three years)			Actuals (previous/current years)				
			Description	First 7 months	Last5 months	Last5 months	
1971-72	1972-73	1973-74		11973-74	1974-75	1973-74	1974-75
1	2	3	4	5	6	7	8

Estimates			Variations between		
Budget Estimate 1974-75	Revised Estimate 1974-75	Budget Estimate 1975-76	Revised & Budget Estimates 1974-75	Budget Estimates 1975-76 and Revised Estimates 1974-75	Remarks
9	10	11	12	13	14

NOTE- The years a have been given for the purpose of Illustration only.

**325** The estimates of expenditure in respect of each demand should, be prepared In duplicate, the, figures being given in thousands of rupees. In preparing their estimates the Railway Administrations should ensure that the figures of actual

expenditure for the preceding year shown in the estimate agree with those reported to the Railway Board. The figures of actual expenditure for the current year should represent the latest data.

**326 Explanation of variations** -A brief narrative explanation should be given of the causes (with amounts involved in each case) of substantial differences between the figures adopted for the revised estimate of the current year and (i) the actuals of the previous year, and (ii) budget allotment for the current year. Similar explanation should be given for differences between the figures of the budget estimate of the ensuing year and the revised estimate of the current year. Large variations which compensate each other should also be indicated.

**327** The revised estimate for the current year and the budget-estimate for the next year should be fixed after taking into account the expenditure of the previous year and comparing the expenditure during the first seven months of the year with the corresponding period of the previous year. A full explanation of special features and any exceptional and abnormal adjustments (with amounts involved) included in each period of the previous and current year as also in the next year, should be given in the explanatory note accompanying the estimates. The financial effect of variations on account of specific reasons should be clearly brought out under each Demand as shown in the statements (Items 58 to 64) of [Annexure II](#).

**328** When the expenditure anticipated in the last five months of the year is disproportionate as compared with (i) the first seven months of the year or (ii) the corresponding period of the previous year, reasons for the disproportionate expenditure should be given in the revised estimate. Special and non-recurring items of expenditure in a year should show a corresponding saving in the following year. Likewise, when transfers are made from one demand to another due to changes in classification, the saving shown under one demand should agree with the excess shown under the other demand.

**329 Estimate of Cost of Establishments** -In working out the cost of establishments, the Railway Administrations should not make any meticulous calculations of the emoluments to which individuals will be entitled if they continue to hold the posts during the year. The estimates of the cost of establishment should be based on past experience of their actual cost, with due allowance for any changes either in the number or rates of pay of each individual establishment in the year in which, or for which the estimate is being made.

**330** In the explanatory note accompanying the estimate, information should be given as to what part of the proposed expenditure represents expenditure on the permanent staff already sanctioned, how much of the proposed increase in the next year is due to ordinary increments, how much is new expenditure and how much for temporary establishment. Reasons should be given for additional staff when provision is made in the estimates for such increase in expenditure. The estimates of ordinary working expenses should be accompanied by 'Staff Statements' under each Demand in the proforma given in items, 14, 16, 18, 21, 23, 25, 27, 29, 41 and 43 of [Annexure II](#). Explanations for substantial variations in the numbers should be furnished as between current year's budget and, revised estimates and budget estimates for the following year.

**331 Suspense Heads** -The estimates in respect of revenue suspense heads (viz., Demands Payable and Misc. Advances-Revenue) should be prepared by the Financial Adviser & Chief Accounts officer on the basis of past actuals and current trends. Budget for Demands payable is for the net increase or decrease in the balance at the end of the year, while for Misc. Advances the budget requirement would be on a 'gross' basis.

**332 Repairs and Maintenance Expenditure of Rolling Stock** -The budget and revised estimates of expenditure on repair and maintenance of Rolling Stock separately by locomotives (steam, diesel and electric), carriages, wagons and other coaching vehicles Included in Demands No. 5 and 6 should be supported by separate statements (see item 19 in [Annexure II](#)) showing in detail the estimated number of Rolling Stock proposed for repairs in the current year's budget and revised estimates and the budget of the ensuing year with corresponding unit cost.

**333 Cost of Fuel** -Two statements, one showing the quantity and cost of coal, diesel oil and electricity (items 30 to 32 in [Annexure II](#)) and another showing the quantity and freight of coal carried by sea (item 33 in [Annexure II](#)) should be submitted along with the revised and budget estimates for Demand No. 10-Operating Expenses - Fuel. Care should be taken to furnish complete information as required in the 'Correlation Statements' (items 34 to 36 in [Annexure II](#)) accompanying the revised and budget estimates for Demand No. 10.

**334 Miscellaneous Expenditure** -This includes expenditure budgetted under Demands 1, 2 and 14. For transactions with Company Railways under Demand No. 2, separate estimates should be prepared for payment of subsidy/rebate and /or share of earnings to worked lines in keeping with the terms of Contract with each Railway.

**335 List of Credits or Recoveries** - (a) The following items of credits or recoveries shall be excluded from the scope of the demands presented for vote of Parliament :-

- (i) Commission on account of internal check of military warrants and credit notes in connection with the military traffic.

- (ii) Hire and haulage charges of rolling stock from Port Trust Railways or other non-budget lines.
- (iii) Service contributions from other Departments/Ministries on account of staff on deputation.
- (iv) Credits for released material relating to renewal and replacement works and also those released from repair and maintenance works.
- (v) Credits for electrical energy supplied to outsiders, other Railways, Government Departments and consumed for purposes other than traction.
- (vi) Sale proceeds in Canteens. State Government grants to schools, fees from students, etc.
- (vii) Credits under "Suspense" heads.-
  - (a) Issue from Stores Suspense.
  - (b) Issue under Manufacture Suspense.
  - (c) Credits under "Miscellaneous Advances"
- (viii) Credits on account of unconnected loco coal wagons;
- (ix) Credit for freight charges on railway materials including fuel;
- (x) Deficit in the net earnings pertaining to worked lines recoverable from State Governments etc;
- (xi) Write back of cost of military sidings initially charged to capital ;
- (xii) Cost of cinders and coal ashes sold and utilised for departmental purposes;
- (xiii) Credits on account of Inspection charges on coal ;
- (xiv) Share of cost of works chargeable partly to Railway Estimate recoverable from other departments of Central Government or a State Government if the portion of expenditure on such works debitable to Departments concerned cannot be segregated and booked as such, and
- (xv) "Miscellaneous receipt" under classification of works Expenditure;

The Railway Board should be furnished with a list of such credit or recoveries accompanying the revised and budget estimates under each demand in the following form:-

Form No. F. 335

Serial No.	Brief Description	Actuals	Budget Estimates	Revised Estimates	Budget Estimates
		1973-74	1974-75	1974-75	1975-76

(b) The following items of credits or recoveries shall be taken in reduction of Demands and only net figures (minus or plus) shall be shown under the respective detailed heads of the Demands :-

- (i) Credits on account of accounting adjustments such as-

- (a) Credits realized from surplus stock, found in stock verification, etc.
  - (b) Credits on account of surplus stock transferred from one work to another Chargeable to same or another grant or to stock.
  - (c) Credits to Capital or Depreciation Reserve Fund or other heads on account of Write-back adjustments, etc.
  - (d) Credits for overcharges and undercharges under repairs.
- (ii) Credits on account of the rebate for purchases made through Supply and Disposals Department.
- (iii) Credits under "Demands Payable" and "Unpaid Wages".

**336 Summary of Ordinary Working Expenses** -The Railway Board should be furnished with a summary of the ordinary working expenses (in the form at item 46 of [Annexure II](#)) comparing, under each demand, the actuals during each of the preceding three years, with the budget estimates and revised estimates for the current year and budget estimates for the following year. The figures of actuals should agree with those appearing in the final accounts intimated to the Railway Board and the differences, if any, should be suitably explained in the remarks column.

**337 Summary of Revenue Receipts and Expenditure**-In order to represent the financial position of a railway correctly, the estimates of its receipts should be correlated with the estimates of its expenditure. For this purpose the Railway Board should be furnished, along with the estimates for gross receipts, with a statement summarising the estimates for gross receipts and expenditure chargeable to revenue. These should contain the figures for the previous year, the budget and revised estimates of the current year and the budget estimates for the following year.

**APPROPRIATIONS TO AND EXPENDITURE  
TO BE MET OUT OF RAILWAY FUNDS**

**338** The Demands under which the various Railway Funds are budgetted, whether for appropriations to or expenditure from the Funds, and the source of finance for each, are given in the table below :-

Name of the Fund	Demand under which appropriation to the Fund is budgetted.	Source of financing the Fund	Demand under which expenditure from the Fund is budgetted.
1	2	3	4
(1) Depreciation Reserve Fund (DRF).	14	Revenue, i.e., appropriation to DRF is a charge on Railway Working Expenses. In the case of Production Units. Viz., Chittaranjan Locomotive Works, Chitta - ranjan, Diesel Locomotive Work, Varanasi and Integral Coach Factory, Perambur, the contribution to the Depreciation Reserve Fund is adjusted by debit to Capital Account- 'Manufacture Operations'.	16-Construction of New Lines-Capital and Depreciation Reserve Fund and 16- Open Line Works-Capital, eprecation Reserve Fund and Development Fund.
(2) Revenue Reserve Fund (RRF).	14	Revenue surplus, if any, left with the Railways after payment to General Revenues; if no such surplus is available, then from temporary loans obtained from General Revenues.	15- Payment towards amortization of Over-Capitalization, Repayment of Loans from General Reserves and Interest thereon – Revenue reserve Fund.
(3) Development	14	-----do-----	16- also demand 15-

Fund (DF)			Repayment of Loans from General Revenues and Interest thereon – Development Fund.
(4) Pension Fund	14	Revenue, except in the case of Production Units, viz.. Chittaranian Locomotive works, Chittaranian, Diesel Locomotive Works, Varanasi and Integral Coach Factory, Perambur, the contribution is adjusted by debit to Capital Account- 'Manufacture Operations'.	13- Pensionary Charges – Pension Fund.
(5) Accident Compensation, Safety and Passenger Amenities Fund (A.C.S.P. F.).	14	Surcharge on passenger traffic specially levied for the purpose.	12 for Accident Compensation, and 16 for Safety and Passenger Amenities works.

As may be seen from, column 3 of the foregoing Table, the Funds are financed from internal resources of the Railways except where, in the absence of adequate revenue surplus, temporary loans have to be obtained from the General Revenues to meet the obligations of the Development Fund and the Revenue Reserve Fund.

**339** Except in the case of Pension Fund and the Accident Compensation, Safety and Passenger Amenities Fund (ACSPF), for which the Revised and Budget Estimates are prepared by, and appear in the Budget Statements of the individual Railway Administrations, the responsibility for framing the revised and budget estimates for the other railway funds with the Ministry of Railways (Railway Board) (see para 305). The estimate amount of appropriation to the Pension Fund is based on actuarial calculations to provide for the liability arising from pensionable service rendered by Railway employees for varying periods. Where such actuarial calculations are not completed, the appropriation is made on an adhoc basis to be suitably re-assessed in due course. In regard to the ACSPF, the Zonal Railway Administrations concerned are required to pre pare the Revised and Budget Estimates on the basis of their forecast of the surcharge on Passenger traffic expected to be realised during the current and the following years.

**340** The Budget estimate for appropriation to the Depreciation Reserve Fund (DRF) is based on the replacement programme including arrears of depreciation, if any, to be made good during the following year. Such an estimate is really not an isolated exercise only for the purpose of the annual budget but is a part of the overall resources planning of the Railways determined earlier for the 5-year plan period in consultation with the Planning Commission and the Ministry of Finance and as approved by the Rail way Convention Committee.

**341** Similar position obtains, by and large, in respect of the Development Fund and the Revenue Reserve Fund also. However, the Railway's Revenue surplus envisage in the Plan, out of which these funds are financed, may undergo considerable change due to various factors affecting Railway operations. A fresh assessment of the surplus if any, to be appropriated to these two Funds has, therefore, to be made in the Revised and Budget Estimates.

**342** Even though the estimate of appropriation to the Depreciation Reserve Fund is prepared by the Railway Board, the amount finally fixed is distributed over the Railways on the basis of the Capital-at-charge of each railway at the end of the previous year as shown in the Finance and Revenue Accounts of the Government of India. The estimate shows separately the amount actually contributed to the Depreciation Reserve Fund in the accounts of the previous year, the figures of budget and revised estimates for the current year, and the budget estimates for the following year.

**343** As regards the estimate of expenditure to be met out of the Railway Funds, the table in para 338 shows that so far as DRF and DF are concerned, the expenditure under Demand 16 is budgetted as part of the Railway's Works Machinery and Rolling Stock Programme (see paras 346 et seq.). The budget/revised estimates for Demand No. 13-Pensioiary charges-Pension Fund are prepared by the individual Railway Administrations taking into account the pensionary charges payable during the year to pensionable Railway Employees. The estimates for Demand 16 relating to safety and Passenger Amenities Works are prepared by the individual Railway Administrations on the basis of the funds requirement of Safety and Passenger Amenities Works specified in this behalf. The accident compensation likely to be paid during the year under Demand 12 are based on past estimates and current knowledge. The remaining Demand namely 15 is dealt with in the next paragraph as part of payments to General Revenues.

**344 Payments to General Revenues --**Payments to General Revenues arise in respect of.-

- (a) dividend on Capital-at-charge,
- (b) contribution for grants to States in lieu of passenger fare tax,

- (c) contribution for assisting the States for financing Safety Works,
- (d) repayment of loans and interest thereon, borrowed on a temporary basis from General Revenues to finance Development Fund ; and
- (e) repayment of loans and interest thereon borrowed on a temporary basis from General Revenues to finance the Revenue Reserve Fund; and payment towards amortisation of over-capitalisation.

The payments for the above Items are budgetted for under Demand No. 15.

**345** Payments to General Revenues are based largely on the the recommendations of the successive Railway Convention Committees (see Chapter VII of the Introduction to Indian Railway Administration and Finance). Dividend payable to the General Revenues is calculated only in respect of dividend-bearing capital-at-charge and also takes into account the concession/reliefs on dividend payable in respect of such capital assets and capital works-in-progress as may be specified by the Railway Convention Committee and losses on strategic lines. The contribution for grants/assistance to the States in lieu of passenger fare tax and for financing expenditure on Safety Works is usually a fixed sum of money as may be determined by the Railway Convention Committee taking into account, inter alia, the recommendations of the Finance Commission. As regards repayment of loans and interest thereon in respect of temporary borrowings for Development Fund and the Revenue Reserve Fund, the Budget/Revised Estimates would depend on availability of revenue surplus, if any, likely expenditure to be met from these Funds and the arrangement that may be agreed to with the Ministry of Finance.

**346 Works Machinery and Rolling Stock Budget**-The revised and budget estimates for expenditure on construction, acquisition, and replacement of assets (briefly known as the Works Budget), are prepared in the form of the Works Machinery and Rolling Stock Programmes. Detailed instructions for the preparation and submission of the Rolling Stock Programmes and the Machinery and Plant Programme are contained in Chapter XV of the Indian Railway Code for the Mechanical Department (Workshops). The Works Programme is required to be prepared in accordance with the instructions embodied in Chapter VI of the Indian Railway Code for the Engineering Department.

**347** There is one single Demand for Grant for Works Budget viz. Demand No, 16-Assets Acquisition, Construction and Replacement; and expenditure whether met out of loan obtained from the general exchequer or internal resources of Railways viz., 'Revenue', the, 'Depreciation Fund', the 'Development Fund' and 'Accident Compensation, Safety and Passenger Amenities Fund'; in the case of last named fund, expenditure on safety works and passenger amenities works only, is included in this Demand. Works Demand provides for booking of expenditure by various Plan heads and for the purpose of link with the accounts Central Government, the Plan heads form the Minor Heads of Railway Works Expenditure, under the Major Heads 546 and 547. Minor heads of classification also refer to Plan head code. The list of Plan Heads is as follows :-

Code number of Plan Head	Description of Plan Head
11	New Lines (construction).
12	Purchase of new Lines.
13	Restoration of dismantled lines.
14	Gauge conversion.
15	Doubling.
16	Traffic facilities-Yard remodelling and others.
21	Rolling Stock.
31	Track renewals.
32	Bridge work.
33	Signalling and Tele-communication works.
34	Taking over of line wires from P & T Department.
35	Electrification projects.
36	Other Electrical works.
41	Machinery and Plant.

42	Workshops including production Units.
51	Staff Quarters.
52	Amenities for staff.
53	(i) Passenger amenities. (ii) Other Railway Users amenities.
61	Investment in Government Commercial undertakings-Road services.
62	Investment in Government Commercial undertakings-Public undertakings.
64	Other specified works.
71	Stores suspense.
72	Manufacturing suspense.
73	Miscellaneous Advances.
81	Metropolitan Transport Projects

The source of financing is indicated by the following alphabets while booking of works expenditure under the Revised Classification:-

P-Capital	Q- DRF
S-DF	R-OLWR
T-ACF	

Expenditure under (OLWR) is financed from railway revenues, i.e., it is treated as a part of the miscellaneous revenue expenditure of the Railways. Expenditure budgetted under "Capital" involves increase in the Capital-at-charge of the Railways and hence in their liability for payment of dividend to General Revenues subject to the reliefs/ exemptions granted by the Convention Committee. 'Works Expenditure' of the Railways is thus financed from Revenue, Railway Funds (DRF, DF and ACSPPF) an Capital provided by the General Revenues. In the event of the Railway's revenue surplus not being adequate to fully meet the requirements of Development Fund expenditure, the budgetary support from the General Revenues would also include temporary loans to finance expenditure from the Development Fund. The upper limit on the 'Works Budget' of the Railways is, therefore, determined by the resources allocation under various well-defined Plan heads, such as New lines construction, Rolling stock, Electrification Projects, Traffic Facilities, Investment in Road Service and Commercial Undertakings, Metropolitan Transport Projects and Inventories, etc Within this allocation of resources, the Railway Administrations are required to make out their programmes, duly vetted by the Financial Adviser and Chief Accounts officer for submission to the Railway Board by a specified date. The programmes are examined by the Railway Board and discussed, where necessary, with the General Managers before finalising the revised and budget estimates in respect of the works Machinery and Rolling Stock programmes.

**348 Inventories** -The revised and budget estimates for inventories viz. store in stock, works-in-process in workshops and production units, other stores transaction such as purchase, sales and Miscellaneous Advances (Capital) are all part of Demand No. 16-Assets Acquisition, Construction and Replacement. The value of the inventory under these heads is held as part of the Railways' Capital-at-charge. The revised and Budget Estimates for the inventories depend on various factors. Even though budgetted under Demand No. 16, the operation of the inventories in Zonal Railways depends almost entirely on the revenue operations as budgetted under the various Demands for Ordinary Working Expenses. In Production Units, however, the inventory budget has to be closely linked with the manufacturing operations budget which, in turn, will be dove-tailed with the Rolling Stock Programme. Detailed instructions for the Preparation of the budgets for stores transactions and manufacture operations are contained in Chapter XXXI of the Indian Railway Code for the Stores Department and Chapter XV of the Indian Railway Code for the Mechanical Department (Workshops) respectively.

**349 Civil Demands**-To enable the Ministry of Finance to incorporate the requirement of and /or information relating to the Ministry of Railways regarding staff advances and other transactions which form part of the General Budget, the Railway Board has to obtain from- the Railway Administrations for transmission to the Ministry of Finance a number of statements. These are dealt with below.

**350 Income tax, Interest on Advances by Central Government and Interest on Debt and other Obligations** -The estimates of income-tax and interest should be submitted in the form at [Annexure III](#).

**351 Debt Heads and K-Deposits and Advances** -These estimates are required by the Railway Board in the form at [Annexure IV](#).

**352 K-Deposits and Advances and F-Loans and Advances, by the Central Government-**The revised and budget estimates of advances should be submitted to the Railway Board in the form at [Annexure V](#).

**353 Remittance Transactions.-**The estimates of remittance transactions should be submitted to the Railway Board in the detail shown in form at [Annexure VI](#). The estimates should be framed, as far as possible, in conformity with those of the other party to the transaction, and wherever there are any important differences which it is not possible to reconcile the differences should be specifically mentioned in the explanatory notes to the estimates.

### **Section III-COMPILATION AND SCRUTINY OF BUDGET IN THE RAILWAY BOARD**

**354** The estimates of working expenses submitted by individual railways are subjected to a critical examination by the Railway Board and, after taking all the relevant factors into consideration, the Railway Board frame their own estimate of the expenditure likely to be incurred during the year.

**355** The procedure adopted by the Railway Board in fixing the allotment for each railway is as follows. The revised estimate for the current year is first fixed under each demand for each railway, after taking into account the expenditure for the preceding year and comparing the expenditure during the first seven months of the current year with the corresponding period of the previous year, full consideration being paid to the special feature of both years. Having thus fixed the revised estimate for the current year, the budget estimate for the next year is prepared on a consideration of the special circumstances so far as known, of both years. The amounts provided for individual railway administration are restricted as nearly as the Railway Board can assess to their actual need, consistent with the exercise of the most rigid economy.

**356** The estimates of expenditure on rolling stock, plant and machinery, structural and other engineering works (i.e., programmes of rolling stock plant and machinery and works) submitted by the railways, after having been carefully examined by the Railway Board as to the necessity and justification of the works included therein, are discussed with the railway administration and the work to be undertaken during the Budget year decided upon. The programmes as finally settled after discussion form the budget estimates of railways for expenditure to be incurred during the following year on new constructions and open line works chargeable to Capital, Depreciation Reserve Fund, Development Fund. Open Line Works (Revenue) and Accident Compensation, Safety and Passenger Amenities Fund.

**357 Submission to the Minister** -The estimated amount required for Plan expenditure during the next year is intimated to the Planning Commission/Ministry of Finance for necessary provision being made in the "Way and Means" budget of the Government of India and after it has been ascertained from Planning Commission. Finance Ministry that funds will be available to meet the estimated expenditure, the programmes are submitted to the Minister for approval.

**358** The rolling stock and plant and machinery programmes, as approved by the Minister, are subject to further modifications which may subsequently necessary due to one or other of the following causes: -

- (i) If any item of rolling stock and plant and machinery ordered for delivery in the current year is not delivered before the end of the year and remains unpaid, it becomes necessary to provide money in the programme for the next year for such items as will be delivered in that year.
- (ii) Later information may suggest alterations in the estimated prices at which the stock can be purchased.
- (iii) When, owing to the early date on which the programmes are prepared, other modifications may be found necessary during the course of the year.

Of the proposed modifications, the important ones, if any, are, however, specifically brought to the notice of the Minister before the presentation of the Budget to the Parliament. The estimates of working expenses as fixed by the Railway Board each railway and those of expenditure on works, plant and machinery and rolling Stock as finally settled, are consolidated under the respective "Demands for Grants" detailed in paragraph 306 and submitted to the Minister before presentation to the Parliament.

**359 Presentation to the Parliament** -The complete Budget that is, the demands for grants and the other Budget papers, viz., the explanatory memorandum to the Budget and the detailed estimates of each railway (Known as the Works, Machinery and Rolling Stock Programmes) along with a summary will be presented to the Lok Sabha and the Rajya Sabha. Before the Demands for Grants are presented to the Parliament, the recommendations of the President should be obtained under Article 113 (3) of the Constitution.

**360 Appropriation Bill** -Pursuant to Article 114 (1) of the Constitution, after the Demands for Grants have been voted by the Lok Sabha, there shall be introduced a Bill to provide for the Appropriation out of the Consolidated Fund of India of all moneys required to meet the grants so made by the Lok Sabha and the expenditure, If any, charged on the Consolidated Fund of India, but not exceeding in any case the amount shown in the Statement previously laid before the Parliament. The Appropriation Bill as passed by the Parliament and assented to by the President forms the basis for budgetary allocation to the Railways.

#### **Section IV - ADMINISTERING THE BUDGET**

**361 Distribution of Funds by the Railway Board**-The Grants as voted by the Parliament and the appropriation for the charged expenditure as sanctioned by the President are distributed by the Railway Board among the railway administrations and other authorities subordinate to them, as soon as possible, after the Budget is sanctioned. The sums so distributed are called "Allotments" and the orders by means of which the allotments are made are called "Budget Orders". The allotments made out of funds voted by the Parliament are shown as "Voted" and those fixed by President are shown as "Charged".

**362** The Budget Orders are accompanied by the final issues of " Demands for Grants" and Works, Machinery and Rolling Stock Programmes" containing the detailed distribution of the Budget allotment made to the railway administrations for working expenses and Capital, Depreciation Reserve Fund, Development Fund, Open Line Works (Revenue) and Accident Compensation, Safety and Passenger Amenities Fund expenditure. The Budget allotment made to a railway administration is intended to cover all charges, including the liabilities for past years, to be paid during the year or to be adjusted in the accounts for it. It shall be operative until the close of the financial year. Under the 'doctrine of lapse', any unspent balance shall lapse and shall not be available for utilization in the following year.

**363** In the event of the Budget Orders of the Railway Board not being received before the commencement of the financial year, the railway administrations are empowered to incur expenditure, pending the receipt of the Budget Order, on works which were in progress at the end of the previous financial year. All expenditure incurred under this rule must be treated as a charge against the allotments eventually made for such works.

**364** When the Budget Orders issued by the Railway Board show any reduction in the estimates originally submitted to them, prompt measures should be taken by the railway administrations to limit the expenditure to the amounts allotted and distributed by the Railway Board.

**365 Distribution of Funds by General Managers to Lower-Authorities.**- Subject to the other provisions of this chapter, or of any general or specific orders issued by the Railway Board, a General Manager is expected to take steps immediately to distribute the funds, placed at his disposal, to authorities subordinate to him in such manner as he may consider most suitable, provided that the total of the sums so allocated does not exceed the total of the grant placed at his disposal. In making this initial distribution, he may, at his discretion, keep a sum unallotted as a reserve for emergencies that may arise in future. He may also vary the initial distribution as necessity arises during the course of the year. In regard to "Carry Over" works, the latest information as to the necessity and extent of funds required for such works should be obtained from the authorities concerned and taken into consideration in making the initial distribution.

**366** With respect to expenditure on works, the allotment made by the General Manager to lower authorities shall, as far as possible, follow the lines of the Works, Machinery and Rolling Stock Programmes issued by the Railway Board that is--

- (i) a specific sum shall be allotted by him for each item of rolling stock and for each individual work estimated to cost over one lakh of rupees. The General Manager may also allot specific sums for other works for which he considers desirable to keep separate accounts, i.e., above a certain minimum to be prescribed by him,
- (ii) a lump sum shall be allotted by him for all work which are individually estimated to cost less than the minimum limit prescribed by him.
- (iii) the conditions under which and the extent up to which authorities under him may sanction reappropriations between the sums allotted for individual works shall be specified by him in making the allotment, and
- (iv) any reappropriation in excess of that admissible under clause (iii) from the sum allotted for an individual work or any reappropriation from and to the lump sum allotted under clause(ii) above shall require the prior sanction of the General Manager.

The authorities to whom funds are distributed by the General Manager may , subject to any general or special instructions issued by him, redistribute the fund placed at their disposal to the authorities under them.

**367** No expenditure shall be incurred by an authority without the allotment of necessary funds. The authority to whom the funds are allotted, shall be responsible to report at once to the next higher authorities the probability of any lapses or excesses over the sums placed at their disposal. In exceptional cases where expenditure is authorized in anticipation of the allotment of funds, or in excess of the existing provision, the authorization should be followed, as soon as possible, by a formal allotment of funds to the extent required.

**368** The expenditure on each work shall be limited to the sum allotted for it. If for exceptional reasons, expenditure in excess of Budget allotment has to be incurred and if the authority incurring the expenditure is either not in a position to find funds by reappropriation or is not empowered to sanction a reappropriation therefore, application for additional funds shall be made to the next higher authority stating how the expenditure is proposed to be met. In doing so it should invariably be explained why the need for the expenditure was not foreseen in time for inclusion in the budget and why the outlay cannot be postponed to the next financial year. In each case a copy of the order making the allotment or sanctioning a reappropriation shall be sent to the Accounts Officer concerned by the authority issuing the order or sanctioning the reappropriation.

**369 Responsibility of the Railway Board to avoid Excess over Grants or Expenditure on a New Service/New Instrument of Service-** It is the responsibility of the Railway Board to ensure that the total expenditure against a grant voted by the Parliament or appropriation sanctioned by the President does not exceed the amount of the grant (including supplementary grants) or of the appropriations (Including supplementary appropriations). They are also required to watch that the money voted by the Parliament is spent on the purposes set out in the detailed estimates presented to the Parliament along with the Demands for Grants and is not utilized for expenditure on New Service/New Instrument of Service not contemplated in the Budget.(see [paragraph 382](#)).

**370** In pursuance of the recommendations of the Public Accounts Committee, presently New Works estimated to cost more than Rs.50 lakhs each are treated as "New Service/New instrument of Service". The term 'New Service' has been held as referring to expenditure arising out of a new policy decision, not brought to the notice of Parliament earlier, including a new activity or a new form of investment. Likewise, relatively large expenditure arising out of important expansion of an existing activity is treated as 'New Instrument of Service', which is a slight variant of the term 'New Service'.

**371 Responsibility of Railway Administrations in case of Excesses or Lapses -**The railway administrations shall be responsible to ensure that no expenditure is incurred in excess of the Budget allotments made to them. Should it become apparent at any time that the grant for the year is likely to be exceeded from any cause whatsoever, the General Manager should report the position to the Railway Board and apply for additional funds. No liability may be incurred in one year against anticipated grants of a succeeding year except that advance commitments for procurement of stores for works may be made as provided in para 812-S to the extent authorised by the Railway Board from time to time.

**372** It shall also be the duty of the administrations to see that the allotments made to them are fully expended, in so far as is consistent with economy and the prevention of large expenditure in the last months of the year for the sole purpose of avoiding lapses. They shall be responsible for ensuring that money which is not likely to be needed during the year is promptly surrendered so as to allow of its appropriation for other purposes.

**373 Powers of Railway Administrations in regard to emergent and inevitable expenditure.-**Notwithstanding the provisions of [paragraph 371](#) above, the commencement of works urgently necessary to safeguard life or property or to repair damage to the line caused by flood, accident, earthquake or other unforeseen contingency, so as to restore or maintain through communication may be authorized by the Executive Engineer; but he should at once submit a report through the usual channel to the authority competent to give administrative approval to the work and to allot the required funds.

**374** Expenditure to meet a sudden increase in traffic or for ensuring the safe operation of traffic may be incurred with the personal sanction of the General Manager in anticipation of the allotment of necessary funds by the Railway Board provided that the Financial Adviser and Chief Accounts Officer concurs. This power cannot be delegated and can be exercised by the General Manager only where the expenditure is within his powers of sanction. In all cases where this requires an allotment of additional funds, a report showing the expenditure involved and the additional funds required should be submitted to the Railway Board, as soon as possible.

**375 Reappropriations -**The transfer of funds, originally assigned for expenditure on a specific object to supplement the funds sanctioned for another object is called "Reappropriation".

**376 Powers of the Railway Board -** Within the amount of a grant as voted by the Parliament, the Railway Board have full power of transferring the provision from one sub-head to another by a formal order of reappropriation, but reappropriations from one grant to another are not permissible. Under Grant No. 16 no reappropriation of funds is permissible between Capital, Railway Funds and Revenue even though reappropriation is permissible between the various sub-heads of grant viz. the various Plan heads. As regards "Charged" expenditure, there are no restrictions on the powers of the Railway Board to transfer provision



**382** Unforeseen expenditure which cannot be met by reappropriation from the existing grant and expenditure on a "New Service /New Instrument of Service " not contemplated in the budget, shall be met from out of the balance in the Contingency Fund of India placed at the disposal of the Financial Commissioner for Railways. Applications for advances required by the Railways shall be made to the Financial Commissioner for Railways giving the following particulars: -

- (i) Brief particulars of the additional expenditure involved;
- (ii) The circumstances in which provision could not be included in the Budget;
- (iii) Why its postponement is not possible;
- (iv) The amount required to be advanced from the fund with full cost of the proposal for the year or part of the year, as the case may be; and
- (v) The grant or appropriation under which supplementary provision will eventually have to be obtained.

(2) A copy of the order sanctioning the advance, which shall specify the amount, the grant or appropriation to which it relates with brief particulars by sub-heads and units of appropriation of the expenditure for meeting for which it is made, shall be forwarded to the Audit Officer concerned. In addition, copies of such orders shall be forwarded to the Additional Deputy Comptroller and Auditor General (Railways), by the the Financial Commissioner for Railways.

(3) supplementary estimates for all expenditure so financed shall be presented to Parliament at the first session, meeting immediately after the advance is sanctioned. As soon as parliament has authorized the additional expenditure by including it in any Supplementary Appropriation Act, the advance made from the fund shall be resumed to the fund.

Note-(I) White presenting to Parliament estimates for expenditure financed from the Contingency Fund, a note to the following effect shall be appended to such estimates :-

"A sum of Rs----- has been advanced, from the Contingency fund in-----and an equivalent amount is required to enable repayment to be made to that Fund."

Note.-(2) If the expenditure on a new service not contemplated in the budget can be met, wholly or partly, from savings available within the authorized appropriation, the note appended to the estimate submitted shall be in the following form:-

"The expenditure is on a new service. A sum of Rs----- has been advanced from the contingency fund in----- and an equivalent amount is required to enable repayment to be made to that Fund. A part of that amount, viz. Rs-----can be found by reappropriation of savings within the grant and a token vote only is now required /a vote is required for the balance, viz.. Rs-----only."

(4) If, in any case, after the order sanctioning an advance from the Contingency Fund has been issued in accordance with sub-paragraph (2) above and before action is taken in accordance with sub-paragraph (3) above, it is found that the advance sanctioned will remain wholly or partly unutilized, an application shall be made to the sanctioning authority for cancelling or modifying the sanction, as the case may be.

(5) All advances sanctioned from the Contingency Fund to meet expenditure in excess of the provision for the service included in an Appropriation (Vote on Account) Act shall be resumed to the Contingency Fund as soon as the Appropriation Act in respect of the expenditure on the service for the whole year, including the excess met from the advances from the Contingency Fund, has been passed.

(6) A copy of the order resuming the advance, which shall give a reference to the number and date of the order in which the original advance was made and to the Supplementary Appropriation Act referred to in sub-Paragraph (3) above, shall be forwarded by the Financial Commissioner for Railways to the Audit Officer concerned and the Additional Deputy Comptroller and Auditor-General (Railways).

(7) An account of the transactions of the fund shall be maintained by the Financial Adviser and Chief Accounts Officer in form No. F 382 and submitted to the Financial Commissioner for Railways by the sixth of the second following month to which the account relates. Actual expenditure incurred against advances from the Contingency Fund shall be recorded in the account relating to the Contingency Fund in the same detail as it would have been shown if it had been paid out of the Consolidated Fund.

Form No.F 382

CONTINGENCY FUND OF INDIA

Amount of the Fund Rs.....

Amount Placed at the disposal of the Financial Commissioner for Railways/Railway Administration Rs.....

Serial No	Date of transaction	Number and name of grant or appropriation	Number and date of the application for advance	Number and date of the order making the advance	Amount advanced
1	2	3	4	5	6

Supplementary Appropriation Act providing for the additional expenditure	Amount of advance resumed	Balance after each transaction	Initials of Officer-in-charge	Remarks
7	8	9	10	11

- NOTE-
- (1) The balance should be struck after each transaction.
  - (2) The amount of the advances should be entered in black ink when made and in red ink when resumed.

**383 Review of Expenditure.-** Railway Administrations should review their expenditure in August to see whether any modifications are necessary in the allotments placed at their disposal. The review in respect of each grant should be submitted, to the Railway Board in form No. F-383 so as to reach them not later than 1<sup>st</sup> September each year.

FORM NO. F. 383

RAILWAY/ OFFICE

Statement showing modifications necessary in the allotments under Grant No----- during-----

(in thousands of rupees)

Detailed heads	Actuals last year		Latest Estimates current year			
	First-four months	Full year	Actuals first-three months	Approximates for the fourth month	Total for first-four months	Full year
1	2	3	4	5	6	7
by detailed heads of the Grant						
Total ...						

Budget current year	Amount advanced from the Contingency Fund	Total columns 8 and 9	Variation between columns (10 and 7)		Brief reason for large variations
			Excess(+)	Savings(-)	
8	9	10	11	12	13

**384.** The administrations should review the position in as much detail as possible at the time, and if there is any new expenditure which was definitely not anticipated in the budget and which cannot be postponed without serious detriment to safety or efficiency, they should examine whether such expenditure can be met by saving in expenditure provided for in the Budget when, such savings can be foreseen or can be achieved without serious damage. The review should show whether such examination discloses the necessity of additional grants or the possibilities of net savings, in order to enable the Board to set off savings on one railway against excesses on another and to arrive at one estimate of the net additional grant required, if any.

**385. Final -Modification Statement-**The Railway Board should be furnished, for each grant separately, so as to reach them not later than the 21<sup>st</sup> February each year, with statements showing the additional allotments required (both voted and charged) or surrenders to be made, during the current financial year under each head of appropriation, as prescribed in the budget orders, and requiring the sanction of the President. The variations between the final modified allotments required and the revised estimates as fixed by the Board should in all cases be supported by adequate explanations of the reasons for the demand or surrender.

**386.** The railways should, however, continue to review the budgetary position further on submission of the Final Modification statements and any modification that may be considered necessary as a result of new factors visualized and the further review of budgetary position should be advised telegraphically to the Board so as to reach them on the 1<sup>st</sup> of March each year or any other date in March which would be advised to the Railways by the Board.

**387.** The amounts relating to detailed heads such as "Payments to other Railways", "Suspense", "Staff Welfare", "Track Renewals", "Works costing not more than Rs. 50,000 each", "Users Amenities" and Accident Compensation, Safety and Passenger Amenities Fund", from and to which reappropriations are beyond the powers of General Managers, should be given separately when applications are made for final modifications in the allotments.

**388.** Any important changes subsequently found necessary, should be intimated before the 20<sup>th</sup> March of the year, to enable the President to accord sanction to them where possible, so that the Railway Administrations may sanction in time, before the 31<sup>st</sup> March of the year, any reappropriations to cover the anticipated excess over allotments.

**389.** The figures of supplementary grants required or surrenders made in respect of "Interest on other obligations and reduction or avoidance of debt" and "Loans and Advances bearing interest" should be submitted to the Railway Board so as to reach them not later than the 15<sup>th</sup> February each year. These figures should be final, as no change in the allotment of these grants can be made later.

**390. Supplementary and Excess Grants-**Notwithstanding the provisions in [paragraph 382](#), when the amount of a grant/appropriation in the budget is found to be insufficient for the purpose of the current year, an estimate for supplementary grant /appropriation, is submitted by the Railway Board to the vote of the Parliament/ sanction of the President in the same way as the original "demands for Grants/Appropriations" except that the recommendation of the President has to be obtained for supplementary Demands not only under Article 113 (3) but also under Article 115 (1) (a) and 115(2) of the Constitution.

**391.** Unlike Budget Grants and Supplementary Grants which are obtained from Parliament in respect of expenditure to be incurred during the year, Excess Grants relate to expenditure already incurred, for reasons to be fully explained, in excess of the money voted by Parliament to meet the expenditure during a year. The Demand for an excess grant is based on the recommendations of the Public Accounts Committee as a result of their scrutiny of the Appropriation Accounts of the Railways and the Audit Report of the Comptroller and Auditor General (see, Chapter IV). Excess Demands have to be presented after obtaining the recommendation of the President not only under Article 113(3), but also under Article 115(2) and 115 (1) (b)of the Constitution.

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ANNEXURE I  
(Refer Para 307)

Heads of Demands & Authorities Responsible for Control over Expenditure.

Number of Demand	Particulars of Demand	Authority responsible for watching the progress of expenditure in each Demand
1.	Railway Board	Secretary, Railway Board.
2.	Miscellaneous expenditure( General	Heads of Railway Administrations to whom grants are made for Surveys, payment to worked lines and subsidised companies. Director-General, Research, Designs and Standards Organisation for his office establishment, ADAI (Railways) for cost of statutory Audit, Railway Board for miscellaneous establishment and miscellaneous charges, President Railway Rates Tribunal for his office establishment and Heads of Other Establishments and Units.
3.	General Superintendence and Services	Heads of Railway Administrations for expenditure against the funds allotted to them.
4.	Repairs & Maintenance of Way & Works	
5.	Repairs & Maintenance of Motive Power	
6.	Repairs and Maintenance of Carriage & Wagons.	
7.	Repairs and Maintenance of Plant and Equipment.	
8.	Operating Expenses-Rolling Stock and Equipment.	
9.	Operating Expenses-Traffic	
10.	Operating Expenses-Fuel	
11.	Staff Welfare and Amenities	Heads of Railway Administration Secretary Railway Board Director General, R. D. S. O. and heads of other Units .
12.	Miscellaneous Working Expenses	
13.	Provident Fund, Pension and other Retirement Benefits.	
14.	Appropriation to Funds	Heads of Railway Administration Secretary Railway Board Director General, R. D. S. O. and heads of other Units .
15.	Dividend to General Revenues, Repayment of loan taken from General Revenues and Amortisation of over-capitalization.	Ministry of Railways (Railway Board).
16.	Assets-Acquisition, Construction and Replacement.	Heads of Railway Administrations, General Managers of Production units and Ministry of Railways (Railway board) for Bulk Order item.

**NOTE.-**(1) Sub-head of Demands No. 1, 2 and 15 are given below seriatim :-

- (1) Railway board-
  - I Pay of Officers.
  - II Pay of Establishment.
  - III Other charges.
- (2) Miscellaneous Expenditure (General)-
  - (a) Surveys
  - (b) Research Design and Standards Organisation.
  - (c) Expenditure on Miscellaneous establishment.
  - (d) Cost of Statutory Audit..
  - (e) Payments to worked Lines and subsidized companies.
  - (f) Miscellaneous charges.

- (15) Dividend to General Revenues etc.-
- (a) Dividend to General Revenues:-
    - (i) Payment from Revenue.
    - (ii) Payment by withdrawal from Revenue Reserve Fund.
  - (b) Contribution to General Revenues for Grants to States in lieu of Passenger Fare Tax.
  - (c) Contribution to General Revenues for assisting the States for financing Safety Works.  
Total
  - (d) Repayment of loans for Development Fund taken from General Revenues and Interest thereon :-
    - (i) repayment of loans
    - (ii) Interest on loans.Total
  - (e) Repayment of loans for Revenue Reserve Fund taken from General Revenues and Interest thereon :-
    - (i) Repayment of loans.
    - (ii) Interest on loans.Total
  - (f) Payment towards amortization of over-capitalisation.  
Total (a) to (f)  
Credits or Recoveries.
    - (i) Amount recouped from Revenue Reserve Fund for Payment of dividend.
    - (ii) Amount recouped from Revenue Reserve Fund for repayment of loans and interest.
    - (iii) Amount recouped from Railway Development Fond.

NOTE.--(2) Minor heads and sub-heads of Classification of Revenue Expenditure under Demand No. 3 to 14 shown in Appendix I (Financial Code Vol II) represent sub-heads and Detailed heads of these Demands. Minor heads of classification of works expenditure under Demand No. 16. shown in Appendix II (Financial Code Vol. II) represent sub-heads of this Demand.

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Ministry of Railways ( Railway Board )

ANNEXURE II  
(Refer Para 307)

List of Budget forms and Connected statements.-

S. No.	
1	Gross Receipts.
2.	Annexure to Gross Receipts showing selected Commercial and operating Statistics.
3.	Revised Estimate/Budget Estimate of Miscellaneous receipts.
4.	Revised Estimate/Budget Estimate of Demand Nos. 1 & 2 (Miscellaneous Establishments).
5.	Annexure 'A' to revised Estimate/Budget Estimate of Demand Nos. 1 & 2 (Miscellaneous Establishments).
6	Annexure 'B' to revised Estimate/Budget Estimate of Demand Nos. 1 & 2 (Miscellaneous Establishments)-showing the details of Contingencies.
7.	Annexure 'C' to revised Estimate/Budget Estimate of Demand Nos. 1 & 2(Miscellaneous Establishments)-showing the details of Payments in England.
8.	Statement showing Primary Units (object) of expenditure under different Grants.
9.	Revised Estimate and Budget Estimate of Demand No. 2 Railways (Surveys).
10.	Revised Estimate and Budget Estimate of Demand No. 2-Railways (Cost of Statutory Audit).
11.	Revised Estimate and Budget Estimate of Demand No. 2-Railways- Net Earnings and Rebate.
12	Revised Estimate and Budget Estimate of Demand No. 2-Railways-Subsidy.
13.	Revised Estimate and Budget Estimate of Demand No.3-General Superintendence and Service.
14.	Annexure to Revised Estimate and Budget Estimate-Demand No. 3-showing the No. of staff as on 31 <sup>st</sup> October each year.
15.	Revised Estimate and Budget Estimate of Demand No. 4-Repairs and Maintenance of Permanent - Way and Works.
16.	Annexure to Revised Estimate and Budget Estimate-Demand No. 4-showing the No. of staff as on 31 <sup>st</sup> October each year.
17.	Revised Estimate and Budget Estimate of Demand No. 5-Repairs and Maintenance of Motive Power.
18.	Annexure to Revised Estimate and Budget Estimate-Demand No. 5-showing the No. of staff as on 31 <sup>st</sup> October each year.
19.	Annexure of Revised Estimate and Budget Estimate-Demand No. 5 and 6-showing the details of repairs to rolling stock.
20.	Revised Estimate and Budget Estimate of Demand No. 6-Repairs and Maintenance of Carriage and Wagons.
21.	Annexure to Revised Estimate and Budget Estimate-Demand No. 6-showing the NO.-of staff as on 31 <sup>st</sup> October each year.
22.	Revised Estimate and Budget Estimate of Demand No. 7-Repairs and Maintenance of Plant and Equipment.
23.	Annexure to Revised Estimate and Budget Estimate Demand No. 7-showing No. of staff as on 31 <sup>st</sup> October each year,.
24.	Revised Estimate and Budget Estimate of Demand No. 8-Operating Expenses-Rolling Stock and Equipment.
25	Annexure to Revised Estimate and Budget Estimate of Demand No. 8-showing the No. of staff as on 31 <sup>st</sup> October each year.
26.	Revised Estimate and Budget Estimate of Demand No.9-Operating Expenses-Traffic.
27	Annexure to Revised Estimate and Budget Estimate of Demand No. 9-showing No. of staff as on 31 <sup>st</sup> October each year.
28.	Revised Estimate/Budget Estimate of Demand No. 10-Operating Expenses.-Fuel.
29.	Annexure I to Revised Estimate and Budget Estimate of demand No.10-showing the No. of staff as on 31 <sup>st</sup> October each yea
30	Annexure II to Revised Estimate and Budget Estimate of Demand No. 10-showing the quantity of Coal.
31.	Annexure III to Revised Estimate and Budget Estimate of Demand No. 10-showing the quantity of Diesel Oil.

32.	Annexure IV to Revised Estimate and Budget Estimate of Demand No. 10-showing the quantity of Electricity.
33.	Annexure V to Revised Estimate and Budget Estimate of Demand No. 10-showing the quantity and freight of coal carried by sea.
34.	Annexure- VIII to Revised Estimate and Budget Estimate of Demand No. 10-Correlation Statement (Steam Service).
35.	Annexure VIII to Revised Estimate and Budget Estimate of Demand No. 10-Correlation Statement (Diesel Service).
36.	Annexure VIII to Revised Estimate and Budget Estimate of Demand No. 10-Correlation Statement (Electric Service).
37.	Annexure 'A' to Revised Estimate and Budget Estimate of Demand No. 10-Railways-Correlation statement (Traction Service).
38.	Annexure 'B' to Revised Estimate and Budget Estimate showing fuel consumption (on territorial basis).
39.	Annexure 'C' to Revised Estimate and Budget Estimate showing the Engine Kilometres.
40.	Revised Estimate/Budget Estimate of Demand No.11-staff welfare and amenities.
41.	Annexure to Revised Estimate and Budget Estimate of Demand No. 11-showing the No. of staff as on 31 <sup>st</sup> October each year.
42.	Revised Estimate and Budget Estimate of Demand No. 12-Miscellaneous Working Expenses.
43.	Annexure to Revised Estimate and Budget Estimate of Demand No. 12-showing the No. of staff as on 31 <sup>st</sup> October each year.
44.	Annexure to Revised Estimate and Budget Estimate of Demand No. 12-showing the Profit and Loss Account of the Catering Department.
45.	Revised Estimate and Budget Estimate of Demand No.13-Provident Fund, Pension and other Retirement benefits.
46.	Annexure I to Demand Nos. 3 to 13.
47.	Annexure to Demand Nos. 4 to 10 showing the details of freight charges on departmental stores and coal included under various Demands.
48.	Revised Estimate and Budget Estimate of Demand No. 16-Assets-Acquisition,
49.	Construction and Replacement. Revised Estimate and Budget Estimate of Demand No. 16-stores Transactions.
50.	Revised Estimate and Budget Estimate of Demand NO. 16-Manufacture Operations.
51.	Analysis of balance stores in stock.
52.	Statement showing the Stocks at the commencement of the year, receipts and issues during the year and balance at the end of the year in respect of the various classes of stores.
53.	Annexure to Demand No. 16-showing the break up of the amount for purchases of stores for Works and General Purposes excluding Coal, Coke and Fuel oil and Grain shops supplied by various Agencies of Purchases.
54.	Annexure to Demand No. 16-showing the amounts expected to be adjusted by debit to Depreciation Reserve Fund and Credit to Capital on account of assets to be scrapped without replacement.
55.	Statement showing the works expenditure by important categories of works relating to Demand No. 16.
56.	Annexure showing the Credits or Recoveries adjustable in the accounts in reduction of Expenditure but which are excluded from the demand.
57.	Budget Estimates-Demand No. 14-Appropriation to Depreciation Reserve Fund, Appropriation to Pension Fund, Appropriation to Development Fund, Appropriation to Revenue Reserve Fund and Appropriation to Accident Compensation, Safety, and Passenger Amenities Fund.
58.	Revised Estimate and Budget Estimate of Demand No. 3 to 13-Separate variation statement.
59.	Revised Estimate and Budget Estimate of Demand No. 16-Variation Statement.(Rolling Stock).
60.	Revised Estimate and Budget Estimate of Demand No. 16-Variation Statement (Machinery and Plant).

61.	Revised Estimate and Budget Estimate of Demand No. 16- Variation Statement (Works).
62.	Revised Estimate and Budget Estimate of Demand No. 16- Variation Statement (Stores Transaction).
63.	Revised Estimate and Budget Estimate of Demand No. 16- Variation Statement (Manufacture Operations-Debits).
64.	Revised Estimate and Budget Estimate of Demand No. 16 - Variation Statement (Miscellaneous Advances - Debits).
65.	Statement regarding Demand No. 14(b)-Appropriation to Pension Fund showing (i) number of pensioners and (ii) estimate of the quantum of Government contribution, if any and interest there on reverting to Pension fund Consequent upon pre-1957 staff opting for Pension scheme.

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Ministry of Railways ( Railway Board )

Statement of Income-tax, Interest on Advances by Central Government and Interest on Debt and other obligations.

(Figures in thousands of Rs.)

Head of Account	Actual last year	Revised Estimates current year		Budget Estimates next year				Remarks
		First seven months	Last five months	Total				
				As proposed	As accepted by Rail-way Board	As proposed	As accepted by Rail-way Board	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(1) 021-Taxes on incomes other than Corporation Tax.								
A. Taxes on income excluding union Surcharge-								
(i) Income tax-								
Ordinary collections								
Other collections								
(ii) Deductions by-								
(a) Government from salaries and pensions, taxes in respect of Union emolument.								
(b) Deduct-Refunds.								
(iii) Collection from Dividend on Government Securities under Section 194-A.								
(iv) Collection from contractors under Section 194 C.								
B. Union surcharge in taxes on Income-								
(I) Income tax.-								
(i) Ordinary collections								
Other collections								
(ii) Deduction by-								
(a) Government from salaries etc.								
(iii) Collection from Dividend on Government Securities under Section 194-A.								
(iv) Collection from contractors under Section 194-C.								
(2) 049-Interest-Receipt-								
A. Interest on advances to Government servants-								
(i) House Building Advances...								
(ii) Motor-car Advances...								
(iii) Other Conveyances...								
(iv) Passage Advances...								

Ministry of Railways (Railway Board)

**ANNEXURE III – (Concl.)**

(Figures in thousands of Rs.)

Head of Account	Actual last year	Revised Estimates current year		Budget Estimates next year				Remarks
		First seven months	Last five months	Total				
				As proposed	As accepted by Rail-way Board	As proposed	As accepted by Rail-way Board	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(3) 249-interest Payments on debt and other obligations.-								
A. 3(2) (1)-General Provident Fund.								
A. 3 (2) (2)-State Railway Provident Fund-								
(a) Contributory								
(b) Non- Contributory								
A. 3 (2) (3)-other State Provident Fund.-								
Contributory.								
Non- Contributory.								
(i) Transferred Rail-way Personnel Provident Fund.								
(ii) Contributory Provident Fund.								
(iii) Other Miscellaneous Provident Funds.								
A. 3(2) (4)-Incentive Bonus.								
A. 3(2) (5)-Indian Railway conference Association Employee' Provident Fund.-								
(a) Contributory								
(b) Noti-contributory								
A. 4(1) (1)-Depreciation Reserve Fund-Railways.								
A. 4(2) (1)-Railway Revenue Reserve Fund.								
A. 4 (3)-Railway Development Fund.								
A. 4 (5) (1)-Railway Pension Fund.								
A. 4 (5) (2)-General & Other Reserve Funds-Railway Staff Benefit Fund.								
A. 4 (5) (3)-General and Other Reserve Funds-Railway Accident Compensation Safety and passenger Amenities Fund.								

(NOTE.-The number of the above Head of Account may be changed according to the numbers given in the Budget order relating to Civil Appropriation-interest on Debt and other obligations and reduction or avoidance of debt).

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**ANNEXURE IV**

**F. 351**

Statement of Debt transactions-I-Small Savings, Provident Fund, etc. J-Reserve Funds, K-Deposit and Advances.

(Figures in thousands of Rs.)

Head of Account	Actual year		Revised Estimates Current year				Total		Budget Estimates next year		Remarks
			First 7 months		Last 5 months				Receipts	Withdrawals	
	Receipts	Withdrawals	Receipts	Withdrawals	Receipts	Withdrawals					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)

I-Small Savings, Provident Funds etc.

805-State Provident funds-

- (i) General Provident fund.
- (ii) State Railway Provident Fund.
- (iii) Transferred Railway Personnel Provident Fund.
- (iv) Other Miscellaneous Provident Fund.

J-Reserve Funds- (Reserve Funds bearing interest).

816-Revenue Reserve Funds-Payments.-

- (A) Revenue Reserve Funds – Transfers to Revenue/Loss on sale of securities.
- (B) Revenue Reserve Fund Investment- Accounts.
- (C) Loans to Branch lines companies.

821-General and other Reserve Funds.- Staff Benefit Fund Railways.

K-Deposits and Advances (Deposits bearing interest).

837--Deposits of Railways.-

- (i) IRCA Employees provident Fund.
- (ii) IRCA Employees Provident Fund investment-Account.

K-.Deposits and Advances (Deposits not bearing interest).

845-Railway Deposits.-

- (i) Indian Railway Deposits.
- (ii) Deposits of Branch Line Companies.
- (iii) Unclaimed Provident Fund Deposits.
- (iv) Trust interest Account
- (v) Other Deposits.

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Statement of Debt Transactions-K-Deposits and Advances L-Suspense and Miscellaneous-under Public Account and F-Loans and Advances under Consolidated Fund.

(Figures In thousands of Rs.)

Heads of Account	Revised Estimates current year										Budget Estimates next year	Remarks
	Actuals last year		First seven months		Last five months		Total					
	Re- coveries	Pay- ments	Re- coveries	Pay- ments	Re- coveries	Pay- ments	Re- coveries	Pay- ments	Re- coveries	pay- ments		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	

K--Deposits and Advances  
(Advances)

852-Railway Advances.

(i) Departmental Advances

L- Suspense and Miscellaneous.

858 Suspense Account-

(i) Suspense Account

(Rail ways).

(a) Reserve Bank Sus-  
pense.

(b) P. A. O.Suspense.

(c) Remittance into  
Banks.

(d) Cheques and Bills.

(e) Other transactions.

(f) World Bank Loan  
for the Railway Pro-  
jects.

(g) Loans from Inter-  
national Develop-  
ment Association.

(ii) Transactions on behalf  
of the Reserve Bank.

(iii) Transactions relating.  
to Bangla Desh.

(iv) Adjustment in Debt.  
Settlement with Pakistan

(v) Loss or gain on conversion  
to decimal coinage.

(vi) Additional D.A . Deposit  
Account.

(vii) Payment on behalf  
of Central Claims Organisation -  
Pension and Provident Fund

(viii) Additional (Wagons)  
Deposits Suspense  
Account.

Civil Grant 42-Loans and  
Advances by the Central  
Government

F-Loans and Advances.

**ANNEXURE V. - (Concl.)**

(Figures In thousands of Rs.)

Heads of Account	Revised Estimates current year										Budget Estimates next year	Remarks
	Actuals last year		First seven months		Last five months		Total					
	Re- coveries	Pay- ments	Re- coveries	Pay- ments	Re- coveries	Pay- ments	Re- coveries	Pay- ments	Re- coveries	pay- ments		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	

698-Loans to Railwaymen  
Consumer Co-operatives.

766-Loans to Government  
Servants. -  
(i) House Building Advances.  
(ii) Advances for the  
Purchase of Motor Car.  
(iii) Advances for other  
Motor Conveyances.  
(iv) Advancer for purchase  
of other conveyances.  
(v) Festival Advances.  
(vi) Other Advances (in-  
cluding Advance for  
natural calamities, etc.).

767-Miscellaneous Loans. of Railways ( Railway Board )

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**ANNEXURE VI**

**F. 353**

Statement of Remittance Transactions.-

(Figures In thousands of Rs.)

Heads of Account	Actuals last year		Revised Estimates current year				Budget Estimates next year		Remarks		
	Credits	Debits	First seven months		Last five months		Total				
			Credits	Debits	Credits	Debits	Credits	Debits			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)

L-Suspense and Miscellaneous-Other Accounts

Reserve Bank Deposits-  
875-Reserve Bank Deposits  
Railways--  
M-Remittances inter  
Government Adjustment Accounts.

888- Posts and Telegraphs.

889-Defence Department.

890-Account with States,  
etc.

897-Transfer Railways.

Ministry of Railways ( Railway Board )



