

INTRODUCTORY NOTES

This volume serves as an explanatory memorandum to the Budget of the Central Government in so far as the expenditure provisions are concerned. It is divided into three parts, viz, Part I-General, Part II - Non-Plan Expenditure and Part III - Plan Outlay. The Statements and Annexes which form part of this volume are self-explanatory and have been referred to in the write-up at appropriate places. The expenditure provisions included in the various Statements are net of recoveries and receipts in the case of Departmental Commercial Undertakings, so as not to inflate the figures of expenditure and receipts. Similarly, short-term loans and advances given to the States and recovered during the same year have also been netted.

2. The estimates of expenditure in this document exclude detailed analysis of transactions of Ministry of Railways. The Annual Financial Statement presented separately under Article 112 of the Constitution, however, incorporates the expenditure of all the Central Government Ministries/ Departments including that of the Ministry of Railways.

3. The Demands for Grants presented separately under Article 113 of the Constitution seek the approval of Parliament for "gross" amounts of expenditure without taking into account "recoveries" taken in reduction of expenditure in the accounts. Amounts of these recoveries are also shown in the respective Demands for Grants. The expenditure under each major head of account is shown in the Annual Financial Statement net of these recoveries. A further netting of some non-debt receipts is done in this document, as explained above, to facilitate proper appreciation of various items of expenditure. Annex 1 to this document shows expenditure under each major head of account after such adjustments. Annex 2 reconciles the totals of Annex 1 and the expenditure totals in the Annual Financial Statement, as well as in the Demands for Grants.

4. Government has taken the initiative to make separate allocations for the Scheduled Castes Sub Plan (SCSP) and Tribal Sub Plan (TSP) as part of Plan allocations from the financial year 2011-12. These allocation are also clearly indicated in the Memorandum of Understanding signed between Planning Commission and the Ministry/Department concerned. Government has devised accounting mechanism to accurately reflect budgetary allocations for SCSP and TSP. Provisions made under these accounting heads are not allowed to be reappropriated. Statement 21 and 21A reflect budgetary allocations for SCSP and TSP respectively.

5. Government has restructured the Centrally sponsored schemes (CSSs) and accordingly the reporting has been changed. Plan schemes under which Central Assistance is provided to States/ UTs have been classified as Central Assistance to State/UT plan. Assistance to State/UTs under Plan expenditure in various statements reflects this paradigm shift.

6. Actuals for 2012-13 in Expenditure Budget, Volume 1 and 2 are provisional.