

PROCEEDINGS OF GOVERNMENT OF KARNATAKA

Subject:- Delegation of powers of re-appropriation to Heads of Departments and Administrative Secretaries – reg.

GOVERNMENT ORDER NO. FD 09 TFP 2004,

BANGALORE, DATED April 7, 2005

READ:

1. G.O. No. FD 1 TFP 96 dated 10th July 1996
2. Circular No. FD/DS(B&R)/T-863/2002 dated 04.03.2002
3. G.O. No. FD 25 BPE 03 dated 31.03.2003
4. G.O.No. FD 02 TFC 04 dated 09.11.2004

PREAMBLE:

The Administrative Secretaries and the Heads of Department were delegated the power to re-appropriate amounts up to Rs.20 lakhs and Rs.2 lakhs respectively within their demand in G.O. read at (1) above. The power of re-appropriation was kept in abeyance in Circular read at (2) above due to resources shortfall and consequential cuts in plan and non-plan allocations in the financial year 2001-02. The powers of re-appropriation with the Heads of Departments and Administrative Secretaries were continued to be kept in abeyance for the time being in 2003-04 in G.O. read at (3) above due to introduction of Department-wise demands for grants and merger of Object Heads. The powers were continued to be kept in abeyance till further orders in G.O. read at (4) above.

With the introduction of Budget Control Mechanism by treasuries through Network Management Centre, each and every re-appropriation order has to be uploaded to the Budget Control Software at NMC in order to enable departments to prefer claims on the treasury and passing of bills at the treasuries. While the centralized system of re-appropriation and issue of orders was required in the last quarter of the previous financial year to ensure that reappropriation orders were issued after obtaining all necessary conditions prescribed and follow up action on updating of the software at NMC, it is considered necessary now to delegate this power in tune with the MTFP frame work. Government has therefore decided to restore the earlier powers of re-appropriation to the Heads of Departments and the Administrative Secretaries and also enable re-appropriation from one CSS/CPS to another. Hence, the order.

ORDER

The Heads of Departments shall have powers to sanction re-appropriation of funds from one unit of appropriation to another within the same Major Head in their Departmental Budgets subject to a maximum of Rs.2 lakhs per annum per detailed head.

2. The Administrative Departments of Government other than Finance Department shall have powers to sanction any re-appropriation not exceeding Rs.20 lakhs under each unit of appropriation during a financial year between Heads coming under the Grant and there shall be no objection to administrative department sanctioning any number of re-appropriations within the Grant.
3. In respect of Central Plan and Centrally Sponsored Schemes having 100% central share, the Administrative Secretaries shall have full powers to sanction re-appropriation from one scheme to another depending on the additional funds received from the Centre and savings available in another Central/Centrally Sponsored Schemes under the same demand.
4. In respect of Central Plan/Centrally Sponsored Schemes with the same sharing pattern between the Centre and the State, when the Central share has been received in excess of estimates and the corresponding State share is available as savings in the State share in another Central Plan/Centrally Sponsored Scheme from which the funds are to be re-appropriated, the Administrative Secretaries shall have full powers to sanction re-appropriation of State share.
5. In respect of Central Plan/Centrally Sponsored Schemes with variable sharing pattern, the Administrative Secretaries shall have powers to sanction re-appropriation, in cases where re-appropriation is required to be done to enable utilization of funds under a scheme with higher central share by re-appropriating from a scheme with lower central share by following the methodology in (4) above.
6. Any re-appropriation under Plan shall not exceed the total State Plan component under the Demand.
7. All orders of re-appropriation issued by the Heads of Departments and the Administrative Secretaries shall be forwarded to NMC of Treasuries and Finance Department.

3. Cases involving additionalities and attracting "new service" criteria shall be referred to Finance Department for approval.

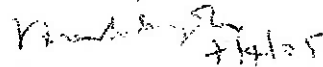
9. The above powers of delegation for sanction of re-appropriation shall be further subjected to the condition that it does not involve -

- (a) re-appropriation between plan and non-plan
- (b) an undertaking of a recurring liability which means a payment extending beyond the year in which it is sanctioned
- (c) an increase in the allotment for "secret service" expenditure
- (d) re-appropriation from one grant to another grant
- (e) re-appropriation from voted to charged and vice-versa
- (f) re-appropriation from revenue to capital and vice-versa – capital includes loan section also
- (g) re-appropriation from salary savings to other types of expenditure and also from other types of expenditure to salary.
- (h) re-appropriation from any additionality given during the course of the year.

10. Each and every re-appropriation order shall be endorsed to the Treasury Network Management Centre and uploaded to the Budget Control Software at NMC to prefer claims on the Treasury and for passing of bills at the Treasuries.

11. Finance Department shall have the overall powers to keep the delegated powers in abeyance during any part of the financial year depending on the Ways & Means position of the State Government.

By Order and in the Name of
the Governor of Karnataka



(D. N. NARASIMHA RAJU)
Secretary to Government (Expr)
Finance Department

To:

1. The Principal Accountant General, (Civil and Commercial Audit), Karnataka
2. The Accountant General (A & E), Karnataka
3. PS to Chief Secretary to Government of Karnataka
4. PS to Development Commissioner
5. All Principal Secretaries/Secretaries to Government
6. All Heads of Department
7. The Deputy Commissioners of all Districts
8. The Director of Treasuries, Bangalore