Dear Sir...

The Second batch of Supplementary Demands for Grants for 2010-2011 is to be presented to Parliament in the ensuing Winter Session.

2. The following types of Supplementary Demands may only be considered for inclusion in this batch:

   (i) Cases where advances from the Contingency Fund of India have been granted, which are required to be recouped to the fund;

   (ii) Payments against court decree which cannot be postponed;

   (iii) Additional funds immediately required which can be met by re-appropriation of savings in the grant but require prior approval of Parliament under the New Service/New Instrument of Service Rules. In all cases where the savings are available within the same section [Revenue/Capital and Charged/Voted] of the grant, only token supplementary should be proposed. In cases where the savings are available in the Revenue/Capital section or charged/voted section and the expenditure is to be incurred in another section [Revenue/Capital or Charged/Voted], full requirement may be proposed as a technical supplementary. It may be noted that the savings, against which the full amount is proposed in a different section, will be committed for surrender and will not be available for re-appropriation; and

   (iv) Cases where Ministry of Finance has specifically advised moving of Supplementary Demand in the Winter Session.

3. All other cases may be held over to the third and final batch of Supplementary Demands for the current year.

4. The Public Accounts Committee has commented adversely on cases where Ministries/Departments obtained supplementary grants in earlier years but the final expenditure was less than/in excess of the approved grant. Budget controlling Authority/FAs of concerned Ministries/Departments may, therefore, ensure that the proposals are made on the basis of a thorough objective and realistic assessment of the additional requirement of funds in each case that is proposed for inclusion in Second batch of Supplementary Demands for Grants for 2010-2011.

Cont. P.2/
5. Cases which are required to be reported to Parliament, in terms of the guidelines circulated with the Ministry’s OM NO. F. No. 7[15]-B [RA]/82 dated April 13, 1982 may also be furnished to Budget Division is a summarized form by the date indicated in para 6 below.

6. The proposals along with the draft statement justifying Supplementary Demands to be included in the ensuing batch and appropriate background notes may be forwarded to Budget Division in the prescribed form by **October 18, 2010 (Monday)**, after which date, proposals may not be entertained. Cases, which are required to be reported to Parliament in terms of the guidelines circulated with the Ministry’s O.M. No. F. 1(23)-B (AC)/2005 dated May 25, 2006 may also be furnished to Budget Division in a summarised form by the same date.

7. If there is no proposal for Supplementary Demand in this batch, a **nil** report may kindly be sent.

8. The proposals in complete form (3 copies), along with soft copy on pen drive, may please be furnished by the due date to Shri V. Prakash, Sr. AFA (Budget), Ministry of Finance, Department of Economic Affairs, Room No.237, North Block, New Delhi (Tel No. 011-2309 2916).

With regards,

Yours sincerely,

(Shaktikanta Das)