

CHAPTER XII

BUDGETING AND CONTROL OF EXPENDITURE

1201. The Annual Budget:- (1) In any Government it is essential that there should be a proper appreciation of the resources available and the probable expenditure which will have to be incurred during a financial year. A statement of the estimated annual receipts and expenditure, whether on capital account or revenue account of the Central Government is called Budget.

(2) Railway Finance in India remains separated from the General Finance. The Ministry of Railways (Railway Board), presents to the parliament each year its Budget with Demands for Grants under various heads. The "Demands for Grants", when voted and passed by the parliament, become "Grants" available for expenditure within the scope of the Demands, as per details given in the detailed budget proposals that have been made.

(3) On the basis of these grants, the Ministry of Railways issue orders to the Railways known as Budget Orders showing the allotment to each Railway made under each Demand and the General Manager of the Railway takes action on receipt of these orders to distribute the allotments to various heads of Departments and Divisions under his control. In the case of the medical department, the Chief Medical Director in turn distributes it to the Medical Officer in-charge of the Division after keeping a reserve at the head quarters. Allotments in respect of centralised heads are not distributed but are centrally controlled in the headquarters. Each unit is required to exercise control over expenditure during the financial year, in such a manner that its expenditure does not exceed the allotment made to it by the competent authority.

Note : On Railways where budget control is centralised at the headquarters, the existing practice may continue.

(4) The transfer of funds originally assigned for expenditure on a specific object, to supplement the funds sanctioned for another object is called " Re-appropriation " within the amount of a Grant as voted by the parliament. The Ministry of Railways have full powers of transferring the provision from one sub-head to another by a formal order of re-appropriation, but re-appropriation from one grant to another is not permissible. Certain powers of re-appropriation have been delegated to the Railway Administrations. The details of the powers of the Ministry of Railways and the Railway Administrations regarding re-appropriation of funds have been given in Rules 375 to 381 of the Indian Railway Financial Code, Volume I.

1202. The Budget of the Medical Department.-

(1) The medical expenses fall mainly under the following demands:-

		Heading
Demand No.	Authority preparing the Budget	
1. Revenue (Rly. Board)	1	Ministry of Railways Railway Board.
2. Miscellaneous expenditure (General.)	2	-do-
3. Staff Welfare & Amenities	11 (Abstract 'J')	Zonal Railways to Ministry of Railways for consolidation.
4. Miscellaneous working expenses (cost of training staff – Medical, Health & Welfare).	12 (Abstract 'K') 12 - 500	-do-
5. Appropriation to Pension Fund	14 (Abstract 'M')	-do-
6. Suspense	12 (Abstract 'N')	-do-

Budget of the Medical Department.

Minor Heads	Sub-Heads	Detailed Heads
J 200 Medical Services	J 210 Control and superintendence at Headquarters and Divisions	J 211 Officers J 213 Office Establishments . J 214 Other Medical and Nursing staff. J 215 Contingent expenses
	J220 Hospital & Dispensaries excluding cost of medicines.	J 221 Diet charges J 222 Cost of artificial limb, appliances, braces, calipers, orthopaedic shoe etc. J 223 Accident Relief Medical Equipment
	J 230 Cost of Medicines and surgical instruments.	J 231 Cost of medicines J 232 Cost of surgical instruments and appliance etc.
	J 240 Reimbursement of medical expenses and miscellaneous.	J 241 Payment to non-Railway institutions for treatment and assistance to other medical institutions. J 243 Cost of TB treatment in sanatorium. J 245 Other expenses.
	J 250 Public Health	J 251 Staff J 252 Medicines cost there- of and freight charges.
	J 260 Maintenance of equipment Medical Department	J 261 Repairs and servicing charges for different equipment viz.. x-ray, ECG etc. including sharpening & polishing etc. of surgical instruments.

		J 262 Repairs and maintenance of ambulances. J 263 Hospital Furniture
J 300 Health and Welfare services	J 310 Sanitation in Railway colonies.	J311 Sanitary staff J 312 Sanitary stores J 313 Contingent expenses J 314 Payment of conservancy contractors and municipalities. J 315 Maintenance and repairs to Motor trucks (Refuse/Night soil lorries and carts) J 316 Lighting (other than electric) in Railway colonies and area. J 317 Other expenses
	J350 Other welfare services, Preventive health measures and pest control	J 351 malaria, filaria & pest control staff. J353 cost of malaria, Filaria & pest control stores. J354 Cost of prophylactic lymph Sera vaccines etc. J355 Examination of Food and Water samples in State laboratories. J356 Other expenses including expenses on health education activities, organisation of mass health campaign etc.
12-K-500 Cost of training staff.	530 Medical, Health & Family Welfare.	531 Cost of staff training school. 532 Pay or stipend to non- gazetted staff during training.

(2) For preparation of the Budget by the Ministry of Railways each Zonal Railway has to submit to the Ministry of Railways its revised estimates for the current year and the budget estimates for the following year.

(3) To enable this being done, the various departments have to advise their requirements in the prescribed form to the General Manager (Budget) through the Financial Adviser and Chief Accounts Officer in the month of November each year.

(4) The Revised and Budget Estimates for the Demands should reach the Ministry of Railways' office by the 1st of December each year in case of revenue grants and 23rd December in case of works grant. The details of these heads are given in the Revised Classification of Accounts of Expenditure and Earnings published by the Accounts Directorate of the Ministry of Railways. The Budget provision required under the works demand No.16 for the ensuing year is required to be included in the works, Machinery and Rolling Stock Programmes.

(5) So far as the revenue expenditure of the medical department is concerned, the Chief Medical Director consolidates the requirements of the entire medical department and submits the Budget to the General Manager (Budget) through the Financial Adviser and Chief Accounts Officer. For this purpose, the Medical Officer In-charge of Divisions have to submit their requirements (non-personnel) for the current year as well as for the ensuing year towards the end of October each year in the prescribed form, duly vetted by the Divisional Accounts officers. However, Medical Officer In-charge of Divisions should advise the requirements of additional staff for new health units, hospitals etc., likely to come up during the year, and ensure that the Personnel Department makes necessary provision in the estimates.

(6) The revised estimates for the current year and the budget estimates for the following year should be fixed after taking into account the expenditure during the first seven months of the year with the corresponding period of the previous year and with reference to the special features of the past three years or the specific needs of the year under reference.

(7) A full explanation of special features and any exceptional and abnormal adjustments (with amounts involved) included in each period of the previous year and current year, as also in the next year, should be given in the explanatory note accompanying the estimates. It should be explained, wherever possible, as to what items, which were not originally included in the budget estimates, have now been provided for in the variations between the figures adopted for the revised estimates of the current year and (i) the actuals of the previous year and (ii) budget allotment of the current year should be furnished. Similar explanation should be given for differences between figures of the budget estimates of the ensuing year and the revised estimates for the current year. Large variations which compensate each other should also be indicated and fully explained.

1203. Review of Expenditure:

(1) August Review - The Medical Officer In-charge of Divisions should review their expenditure towards the end of July to see whether any modifications are necessary in the allotments placed at their disposal. The review in respect to each grant should be submitted to the Chief Medical Director in the prescribed form so as to reach him not later than 5th of August. The Chief Medical Director should review, consolidate and submit it to their respective FA&CAO for inclusion in the Comprehensive August Review Estimate which is to be submitted to the Railway Board by 1st of September every year.

(2) Revised Estimates:- The expenditure is again reviewed in the month of October while arriving at the requirements for the next year as already explained earlier and any revision required in the allotment for the current year is advised.

(3) First Modification Statement:- During the first week of February, the Chief Medical Director should be furnished with statements showing the additional allotments required or surrenders to be made, under each grant separately during the current financial year.

(4) Final Modification Statement:- The Medical Officer In-charge of Divisions should continue to review the budgetary position and any further modification that may be required should be advised to the Chief Medical Director by the 1st week of March and important modifications before the close of the financial year. These statements are again to be forwarded to FA&CAO who will in turn include them in the overall requirements of the Railways to be submitted to Railway Board.

1204. Appropriation Accounts: The Medical Officer In-charge of Divisions should furnish their respective Chief Medical Directors with statements showing explanations for variations between the original grant and the final grant in respect of each grant separately during the 1st week of May. Similarly statements showing explanations for variations between the final grant and actuals as advised by the Accounts Department should also be submitted to the Chief Medical Director as soon as the year's actual become available.

1205. Control over Expenditure:- While it is the duty of the Chief Medical Director as the head of the department and as the controlling authority in respect of the total amount of each Grant allotted to the medical department to watch the progress of expenditure and to keep the expenditure within the amount of the Grant placed at his disposal, it is the responsibility of each Medical Officer In-charge of Divisions to exercise a similar control over the allotments placed at his disposal.

1206. Cash Imprest. (1) An imprest is a standing advance of a fixed sum of money placed at the disposal of an individual to meet petty office expenses and emergencies, which cannot be foreseen. Emergent petty advances may also be made, on the responsibility of the imprest holder, out of the imprest money placed at his disposal.

(2) The imprest is intended for incurring expenditure for the following purposes:-

- (i) Emergency local purchase of medicines.
- (ii) Funeral advances.
- (iii) Petty repairs to sanitary carts, spray pumps, stoves, etc.
- (iv) Charges for washing linen, etc.
- (v) Local purchase of diet articles.
- (vi) Other petty purchases like bulb for torch light etc.,
- (vii) Payment of ambulance charges for transporting patients from stations to hospitals and vice versa.
- (viii) Local purchase of sanitary articles such as brooms, insecticides, etc., when the supply by the stores department is unduly delayed or the stores department has no stock of these items.
- (ix) Payment of compensatory allowance under the Family Welfare Planning Scheme.
- (x) Payment of fees for pathological, bacteriological and radiological test. etc. in respect of cases referred to non-railway institutions.
- (xi) Payment of professional fees to specialists or consultants called to Railway hospitals for examination and advice regarding treatment of patients.
- (xii) Payment of fees to outside members of medical boards called at the Railway's instance
- (xiii) Books of petty value such as Workmen's Compensation Act, Factory Act, etc.
- (xiv) Payment of bus fare to staff for collecting medicines, licenses, etc., and cartage for medicines, diet articles, etc.
- (xv) Purchase of blood and blood products etc.

(3) The Medical Officer for whom imprest has been sanctioned, will hold it independently and will recoup the same as and when necessary through his respective Medical Officer In-charge of Division. The Medical Officer In-charge of Division will, after scrutiny of the vouchers and accounts, forward the same to the Divisional Accounts Officers for arranging recoupment direct to the Medical Officer concerned. The respective Medical Officers should carefully preserve a record of purchases made from time to time for inspections by the Medical Officer In-charge of Division.

(4) It must be noted that the provision of this imprest does not mean that the Medical Officers can deplete their stock and resort to local purchase. The Medical Officers should recoup any item of drugs expended sufficiently in advance through their Medical Officer In-charge of Divisions and local purchase should be made only in exceptional circumstances, e.g.:

- (i) When a particular item which is not usually stocked in the dispensary is required urgently and for which no other substitute of equal therapeutic value is available in stock, or

(ii) When stock asked for has not been received and it would not be in the interest of the patient to wait any longer.

Note:- The object of giving this imprest is purely to meet any emergency, and local purchase, being costly, should not be resorted to as a routine.