

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. The existing Statements 21 (Schemes for the Development of Scheduled Castes) and 21-A (Schemes for the Development of Scheduled Tribes) have been recast into Statements showing allocations in Plan schemes under Scheduled Castes Sub Plan (SCSP) and Tribal Sub Plan (TSP) respectively. Instructions have been issued that these allocations will have to be shown in the Detailed Demands for Grants under separate minor heads 789 for SCSP and 796 for TSP and cannot be reappropriated outside SCSP/TSP.

5. The existing Statement 19 has been modified to show actuals for 2010-11 for schemes under Central Sector Externally Aided Projects (EAP) and for ACA to States for EAP. A new annex is being added from this year (Annex 7A) to show grants given by Central Government to autonomous bodies specifically for salary.

6. Actuals for 2010-11 in Expenditure Budget, Volume 1 and 2 are provisional.