

## PART D—CONTROL AND DISTRIBUTION OF GRANTS

1. As soon as the Legislative Assembly has voted a grant, the Finance Department communicates to the High Court the amount so voted, together with any sum assigned to the same major head or heads of accounts which does not require the vote of the Assembly. The amounts are communicated in the shape of lump sums allotted under minor and sub-heads of account and distributed over such of the prescribed primary units of appropriation as may be necessary. Such grants are communicated not later than the 15<sup>th</sup> April in each year.

Communication of grant to the High Court.

2. Grants under the primary units of appropriation "Pay of Officers" and "Pay of Establishment" which represents the cost of permanently sanctioned posts borne on State Service's Scales, are regarded as supply distributed by the Finance Department, and are not distributed.

Grant for pay of officers and establishment.

3. The High Court, out of the supply allotted to it, distributes among the Controlling and Disbursing Officers concerned in such manner as may appear suitable --

Distribution by High Court.

(a) any portion of the grants for the primary unit "Travelling Allowances".

(b) any portion of the grant under the primary unit "Contingencies" other than sanctioned contract grants.

(c) any portion of the grant under the primary units "Other Allowances and Honoraria", Works "Works", "Contributions", "Suspense" or "Reserve" as is not excluded from distribution. (See paragraphs 10.5 and 10.6 of the Punjab Budget Manual).

4. The High Court may in carrying out such distribution retain a portion of the grant as a reserve in its own hands.

Reserve.

The distribution is carried out not later than the 15<sup>th</sup> May in each year.

General Control of High Court.

5. The High Court exercises general control over the actual expenditure incurred against grants communicated to Controlling and Disbursing Officers. Article 55 of the Audit Code lays down that the authority administering a grant and not the Audit Department is ultimately responsible for keeping expenditure within the grant. For this purpose monthly statements are prepared and forwarded to the Accountant-General for reconciliation. Both the Head of the Department and the Accountant-General are responsible for reconciling differences and correcting misclassifications.

The High Court may issue such instructions to Controlling and Disbursing Officers in this matter as may appear necessary for carrying out the duty of control.

Should the grant under any minor head appear likely to be exceeded, the High Court will arrange for the excess being provided by a re-appropriation or, if necessary, for the submission of a supplementary demand.

Duty of controlling Officer to prevent expenditure beyond grant.

6. The Controlling Officer is primarily responsible for watching the progress of expenditure against grants allotted to him under each primary unit of appropriation concerned and for taking necessary steps to prevent expenditure in excess of a grant --

- (a) by transfer from one Disbursing Officer to another under his powers of appropriation within the primary unit of appropriation ;
- (b) by exercise of his delegated powers of re-appropriation ;
- (c) by application for an excess grant under the prescribed rules as soon as the necessity arises for this course.

The Accountant-General will on request supply him with the same information as to progress of actuals as is given to the High Court, and he may call for returns from Disbursing Officers.

7. The Disbursing Officer is the officer directly responsible for the expenditure incurred against the grants allotted to him under each primary unit of appropriation. He shall keep a close watch over the progress of expenditure, and in no case should he allow the appropriation for any unit to be exceeded without obtaining the approval of competent authority. He shall pay prompt attention to any warnings received from the Accountant-General and arrange to submit an application for an additional appropriation as soon as the necessity arises.

Duty of Disbursing Officer.

8. The Disbursing Officer is required to utilise the appropriations placed at his disposal only towards expenditure on the objects for which the grants are sanctioned and, in particular, no expenditure should be incurred without previous approval of competent authority on objects the demands for which have been specifically refused either by the Legislature or by the State Government.

Money to be spent only on the objects for which sanctioned.

9. The duty of the Audit Officer is to keep a close watch over orders of appropriation and re-appropriation and to pay attention to the progress of expenditure against (1) the grant as a whole, (2) the appropriations for primary units. The Accountant-General will report to the Head of the Department any excesses likely over the grant as a whole.

Duty of Audit Officer.