GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No. 2012/W-I/Genl./Surveys/Budget

New Delhi, 13th May, 2016

The CAO (Const.),
Central Railway, Mumbai
Eastern Railway, Kolkata
East Central Railway, Mahendrughat, Patna
East Coast Railway, Bhubaneswar
Northern Railway, New Delhi
North Central Railway, Allahabad
North Eastern Railway, Gorakhpur
Northeast Frontier Railway, Guwahati

The CAO (Const.),
Southern Railway, Chennai
South Central Railway, Secunderabad
South Eastern Railway, Kolkata
South East Central Railway, Bilaspur
South Western Railway, Hubli
Western Railway, Mumbai
West Central Railway, Jabalpur

Sub: Sanction of surveys.
Ref: RB letter of even no. dated 31.03.2016

Vide letter under reference sanction of the Ministry of Railways was conveyed for conducting Final Location Survey (FLS) for the 18 New Line, 2 Gauge Conversion and 39 Doubling.

Some of the railways have raised the issue of allotment of funds for FLS despite power of re-appropriation under Demand no. 2 being available with the Zonal Railways. In this connection extract of relevant para of letter No 2011-B-174 dated 03.07.15 on subject of Delegation of Powers of re-appropriation is reproduced below:

D.2 Revenue Expenditure

(d) Demand No.2 (Surveys only)- Within the overall grant as per Budget Order, Railways may reappropriate from one survey to another subject to not reducing to ‘Nil’ the specific outlay (BE outlay) as per Budget Order.

Overall allocation to each Zonal Railways under Demand No.-2 is sufficient. It can also be seen from the previous year’s expenditure that large amount of funds are being surrendered under this Demand.

FLS is to be completed expeditiously so that Detailed Project Reports(DPRs) are submitted within the time frame communicated for each project vide letter No 2015/W-I/Genl./CORR.GM/Pl. III dated 23.3.2016.

This disposes of the letter No W.337/CN/BNC/SY/RRB-SMET/FLS of SCR dated 13.4.2016.

Encl:

Rly Board Letter No 2011-B-174 dated 03.07.2015 on subject of Delegation of powers of re-appropriation

(Dhananjaya Singh)
Director (Works)-II
GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
(RAILWAY BOARD)  

No. 2011-B-174  
New Delhi, dated 03.07.2015  

The General Managers:  
All Indian Railways, CORE and Production Units  
Director General, RDSO  
Chief Administrative Officer (R), MTP, Chennai & DMW, Patiala.  

Subject: - Delegation of powers of re-appropriation.  

In supersession of all extant instructions on the subject, the powers of reappropriations would be as under:-  

A. General Instructions:  

A.1 Reappropriations are not a substitute to good budget making and large scale reappropriations have been criticized by the PAC, Parliamentary Committees and C&AG. Many planning stages exist to realistically assess and project budgetary requirements. Hence reappropriations should be done in exceptional cases. Reappropriations should be considered only when it is known/anticipated that the work from which funds are being reappropriated will not be utilized in full or if savings can be affected in the appropriation/outlay for the work. Funds as a whole will not be reappropriated from any work with the intention of restoring the diverted reappropriation to that work later in the financial year and therefore, temporary reappropriations from a work with the intention of reducing demanded funds later in financial year will not be entertained.  

A.2 All re-appropriations shall be processed for sanction of the General Manager by the concerned nodal department/branch/directorate based on the recommendation of the user department/branch/directorate. Prior concurrence of associate finance is required in all cases for sanction at zonal/local level as well as for recommending for approval of Railway Board.  

A.3 For reappropriations sanctioned at Zonal level, FA&CAO (Budget) would issue sanction memoranda duly reflecting changed funds position in Budget VPN (Virtual Private Network).  

A.4 All re-appropriations are to be dealt as per the enclosed proforma at Annexure-I.  

A.5 Funds cannot not be reappropriated to a work not having administrative approval and technical sanction of competent authority.  

A.6 Amount reappropriated to any work shall not exceed the sanctioned cost of that work.  

B. Restrictions:  

B.1 Re-appropriations cannot be done against the outlay and during the currency of ‘Vote on Account’ allotment.  

B.2 Re-appropriations are not permissible between:- (i) One Grant (Demand) and another; (ii) Voted and Charged allotments; (ii) Capital, Railway Funds and Railway Safety Fund; and (iii) One Railway Fund and another.  

B.3 No reappropriations may be done after issue of RE/RG. Urgent requirements, if any, may be projected at the supplementary stage in February and/or Final Estimates in March.  

B.4 Secretary (Expenditure), Ministry of Finance, vide O.M.No.F.No.2(26)/2014-E.II(A)(Part) dated 7.7.2014, has seriously viewed such instances when departments seek augmentation of funds after booking expenditure under the relevant heads. Incurring of expenditure in excess of
allocations is in violation of basic guidelines on accounting and financial propriety. Expenditure should be booked only after ensuring availability of funds under a particular head of account either by way of appropriation approved by the Parliament or by re-appropriation of funds with approval of competent authority.

C. Delegation of powers

C.1 Zonal Railways are delegated the following powers subject to restrictions under para (D):-
(a) full powers to redistribute within plan-heads 29 & 30, subject to original outlay (BE) not getting reduced to less than Rs. one lakh (refer to para D.1.d).
(b) full powers to redistribute within ‘LAW Book works’ sanctioned under ‘Pink Book lumpsum item’ (for works costing below Rs.2.5 crore), barring ring-fenced allocation by the Board, if any, for particular function/activity/purpose, (e.g. for toilets, lifts, escalators, senior citizen, women, handicapped persons etc). (Note: this would imply that zonal railways would have full powers to redistribute within a plan head and source from one lumpsum item of pink book to another lumpsum item of pink book);
(c) under Demand 16: to redistribute between/among Pink Book items within a plan-head and within an allocation (source of fund), upto Rs.2.5 cr (two crore fifty lakhs only)
(d) under Revenue Demands reappropriations are allowed in keeping with the instructions contained in this letter, para (D.2).

C.2 Full powers are delegated to zonal railways for redistribution from lumpsum category to works not appearing in current LAW Book and/or Pink Book. In such cases the following should be adhered to:-
(a) for LAW book items: Wherever booking of expenditure on such work becomes necessary on account of completion report or closure of contracts or arbitration etc., the same may be done only after sanction by the competent authority for revival of such work by issuing appropriate corrigendum or authorization to incur expenditure thereon and thereafter amount required may be re-appropriated by the General Manager.
(b) for Pink Book items (other than lumpsum) and where closure of contracts, completion reports or arbitration etc. are within the powers of the zonal railways, a projection would be submitted at R.E. stage, alongwith the list of such works that are to be technically revived in the Pink Book. Board would allocate ear-marked funds in the RG/RE under ‘lumpsum’ category. If required after RE/RE, projection for such items may be sent and funds would be earmarked in FG.

D. Prior approval of the Railway Board is required in the following cases:-

D.1 Capital Expenditure (Demand No. 16):
(a) inter-plan-head reappropriations within Demand No.16;
(b) reappropriations/redistribution from/to and among plan-head 21 (Bulk Order Items);
(c) from ‘Priority Works’ targeted by Board;
(d) to/from and among works being executed by Rail Vikas Nigam Limited (RVNL);
(e) on portions of work constituting ‘material modification’ which are above Rs.2.5 crore if the material modification pertains to current year.
(f) reappropriations (one/all during the year) to enhance original outlay (B.E. outlay) of a ‘Pink Book’ itemised work by more than Rs.2.5 crore;
(g) Reappropriations (one/all during the year) to reduce original outlay of a ‘Pink Book’ item work by more than 50%, except for plan-head 29 & 30 where the original outlay (B.E. outlay) cannot be reduced below Rs.1 lakh.

(h) For any reappropriations/redistribution under allocation EBR (Extra Budgetary Resources) eg. PPP, Deposit, Institutional Finance, Market Borrowings/Bonds etc.

D.2 Revenue Expenditure

(a) From and to Staff primary units. For reappropriations within staff primary units, specific instructions of Board (Budget Directorate) or as conveyed in Spending Limit letter will prevail;

(b) From/to and amongst Primary Units 27 (cost of material from stock), 33 (transfer from debits/credits from other units) and 35 (adjustment for materials for POH).

(c) For all other PU's as contained in the Spending Limit Orders or any other specific instructions of Board (Budget Directorate);

Currently for (a), (b) & (c) these powers are ‘Nil’.

(d) Demand No.2 (Surveys only) - Within the overall grant as per Budget Order, Railways may reappropriate from one survey to another subject to not reducing to ‘Nil’ the specific outlay (BE outlay) as per Budget Order.

E. These orders will be valid for one year (till 31 July 2016) and would be subject to review and specific instructions thereafter.

Hindi version will follow.

[Signature]

Executive Director, Finance (Budget)

Copy to: The FA & CAOs, All Indian Railways & Production Units
# Proforma for dealing with Re-appropriations

**Annexure-I**

<table>
<thead>
<tr>
<th>Pink Book Item No.</th>
<th>Name of the work</th>
<th>Plan-head</th>
<th>Latest Sanctioned Cost of the work</th>
<th>Financial Progress (%) upto end of previous year</th>
<th>E.E. Outlay for the year</th>
<th>Expenditure during the current year till date</th>
<th>Balance Outlay in the current year (6-7)</th>
<th>Amount already re-appropriated at zonal/local level during the year</th>
<th>Resultant Outlay for the year (6+9)</th>
<th>Amount now proposed for re-appropriation</th>
<th>Total Outlay after proposed re-appropriation during the year (10+11)</th>
<th>Remarks/Reasons</th>
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<tbody>
<tr>
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<td>(4)</td>
<td>(5)</td>
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<td>(7)</td>
<td>(8)*</td>
<td>(9)*</td>
<td>(10)*</td>
<td>(11)</td>
<td>(12)</td>
<td>(13)</td>
</tr>
</tbody>
</table>

* To be vetted by associate finance.

1. Certified that re-appropriation is being proposed between the work(s) for reasons/remarks mentioned against the same.

2. Certified that due to the re-appropriations proposed from the work(s), progress of ongoing work(s) will not be hampered.

3. Certified that re-appropriation are being processed strictly in compliance with Board's directives on the subject.