

APPENDIX-III**(Paragraph 231)****Karnataka Contingency Fund Rules 1957****G.O. No. FD 65 BUD 57, dated 2nd July 1957****Order No. FD 65 BUD 57, dated Bangalore, the 2nd July 1975**

In exercise of the powers conferred by Section 4 of the Karnataka Contingency Fund Act, 1957 (Karnataka Act No. 11 of 1957), the Government of Karnataka hereby make the following rules:-

1. These Rules may be called the “ Karnataka Contingency Fund Rules, 1957”.
2. In these Rules, “Fund” means the Contingency Fund of the State of Karnataka.
3. (1) All Applications for advances from the Fund shall be made to the Secretary to the Government of Karnataka, Finance Department.
(2) Every application shall give:-
 - (a) Brief particulars of the additional expenditure involved;
 - (b) The circumstances in which provision could not be included in the Budget;
 - (c) Why its postponement is not possible;
 - (d) The amount required to be advanced from the Fund with full cost of the proposal for the year or part of the year as the case may be; and
 - (e) The grant or appropriation under which supplementary provision will eventually have to be obtained.
4. Advances from the Fund shall be made for the purpose of meeting unforeseen expenditure including expenditure on a new service not contemplated in the annual financial statement.
5. All orders sanctioning advances from the Fund shall issue as Orders of the Governor. The orders sanctioning the advance shall specially the

amount the grant or appropriation to which it relates and give brief particulars by sub-heads and units of appropriation of the expenditure for meeting which it is made and a copy thereof shall be forwarded by the Secretary to the Government of Karnataka Finance Department, to the Accountant General in Karnataka, Bangalore.

*6. (1) Supplementary Estimates for all expenditure including expenditure on a New Service not contemplated in the Annual Financial Statement so financed shall be presented to the Legislature at the first Session, meeting immediately after the advance is sanctioned unless such advance has been resumed to the Contingency Fund in accordance with the provisions of sub-rule (2).

Explanation: (i)_ While presenting to the Legislature Estimates of Expenditure financed from the Fund a note to the following effect shall be appended to such estimates.

‘A sum of Rs..... has been advanced from the Contingency Fund in..... and as equivalent amount is required to enable repayment be made to that Fund’.

Explanation: (ii)_ If the expenditure on a New Service not contemplated in the Annual Financial Statement can be met, wholly or partly from saving, available within the authorized appropriation, the note appended to the estimate submitted shall be in the following form.

The expenditure is on a New Service. A sum of Rs..... has been advanced from the Contingency Fund in and an equivalent amount is required to enable repayment to be made to that Fund. The amount/a part of that amount, viz., Rs..... can be found by reappropriation of savings within the grant, and a taken vote only/a vote is required for the balance, viz. Rs..... only.

(2) As soon as the Legislature, has authorized additional expenditure by means of Supplementary Appropriation Act, the advance or advances made from the Contingency Fund, whether for meeting the expenditure incurred

before the Supplementary Estimates were presented to the Legislature or after they were so presented shall be resumed to the Fund to the full extent of the appropriation made in the Act.

[* As amended by Govt. Notification No. FD 32 BUD 1964 dated 30th November 1965.]

7. If, in any case, after the order sanctioning an advance from the Fund has been issued in accordance with Rule 5 and before action is taken in accordance with Rule 6, it is found that the advance sanctioned will remain wholly or partly unutilised. An application shall be made to the sanctioning authority for cancelling or modifying the sanction, as the case may be.

* * 8. All advances sanctioned from the Fund to meet expenditure in excess of the provision for the services included in the Appropriation (Vote on Account) Act including “ New Service” items for which necessary provision has been made in the Budget Estimates of that year shall be resumed to the Fund as soon as the Appropriation Act in respect of the expenditure on the service for the whole year, including the excess met from the advances from the Fund has been passed. In the cases of advance made from the Fund on a “ New Service” Items referred to above, a statement in form II annexed shall be prepared by the Finance Department and placed before the State Legislature before the Appropriation Bill for that year is introduced.

{ ** As amended by Govt. Notification No. FD 5 BCF 1967 dated 28th November 1968.}

9. The Order resuming the advance shall give a reference to the number and date of the order in which the original advance was made and to the Supplementary Appropriation Act referred to in Rule 6 and a copy thereof shall be forwarded by the Secretary to the Government of Karnataka, Finance Department, to the Accountant General, Karnataka, Bangalore.

10. An account of the transactions of the Fund shall be maintained by the Finance Department in the Form I annexed to these Rules.

11. Actual expenditure incurred against advances from the Fund shall be recorded by the Departments in the account relating to the Fund in as detailed a manner as it would have been shown if it had been paid out of the Consolidated Fund.

By Order and in the name of the
Governor of Karnataka,

Sd/-
Secretary to Government,
Finance Department