

**GLOSSARY**

<b>14 days auction Treasury Bill</b>	:	A scrip of 14 days duration introduced from June 1997. Auction for this instrument is held weekly at a pre-determined cut off price.
<b>14 days intermediate Treasury Bill</b>	:	A scrip of 14 days duration introduced from June 1997, to enable the State Government, commercial banks and other specific bodies to invest their temporary surplus funds.
<b>364 days auction Treasury Bill</b>	:	An instrument of borrowing introduced from April 1992 of 364 days duration. Auction for this instrument is held fortnightly at a pre-determined cut off price.
<b>91 days auction Treasury Bill</b>	:	An instrument of borrowing introduced from January 1993. Auction for this instrument is held weekly at a pre-determined cut off price.
<b>Ad hoc Treasury Bill</b>	:	A scrip of 91 days duration created by RBI in its favour, on behalf of Union Government, as and when the cash balance of the Government falls below the level of Rs. 50 crore. Whenever the Government's cash balance has a surplus, <i>ad hoc treasury bills</i> were cancelled in such amounts to maintain the agreed level. This scrip was discontinued from 1 April 1997.
<b>Appropriation</b>	:	Appropriation means assignment to meet specified expenditure of funds included in a primary unit of appropriation
<b>Appropriation Accounts</b>	:	Appropriation Accounts present the total amount of funds (original and supplementary) authorised by the Parliament in the budget grants under each voted grants and charged appropriation <i>vis-a-vis</i> the actual expenditure incurred against each grant or appropriation and the saving or excess under each grant or appropriation. Any expenditure in excess of the grants requires regularisation by the Parliament.
<b>Appropriation Act</b>	:	When appropriation bill has been passed by the Parliament, it is presented to the President. After the assent by the President to the bill, it becomes an Act.
<b>Appropriation Bill</b>	:	As soon as may be, after the grants under Article 113 have been made by Lok Sabha, a bill to provide for the appropriation out of the Consolidated Fund of India of all money required to meet (a) the grants so made by the Lok Sabha (b) the expenditure charged upon Consolidated Fund of India but not exceeding in any case the amount shown in the statement previously laid before the Parliament, is introduced.
<b>Capital Expenditure</b>	:	It consists of payment for acquisition of assets, investment in shares, and loans and advances given by the Government.
<b>Capital Receipts</b>	:	Capital receipts comprise loans raised by the Government from the public, borrowing from the Reserve Bank of India and loans taken from foreign Governments, recoveries of loans by the Government, proceeds of disinvestments etc.
<b>Charged Appropriation</b>	:	Sum required to meet expenditure 'Charged' on Consolidated Fund under Article 112 (3) of the Constitution is called Charged Appropriation.

**Report of the CAG on  
Union Government Accounts 2008-09**

<b>Consolidated Fund of India (CFI)</b>	:	The fund constituted under Article 266 (1) of the Constitution of India into which all receipts, revenues and loans flow. All expenditure from the CFI is by appropriation: voted or charged. It consists of two main divisions, namely, Revenue Account (Revenue Receipts and Revenue Expenditure) and Capital Account (Public Debt and Loans, etc.).
<b>Contingency Fund of India</b>	:	Parliament has by law established a Contingency Fund in the nature of an imprest into which is paid from time to time such sums as may be determined by such law, and the said fund is placed at the disposal of the President to enable advances to be made by him out of it for the purpose of meeting unforeseen expenditure, pending authorisation of such expenditure by Parliament by law, under, Article 115 or Article 116 of the Constitution.
<b>Debt service</b>	:	Payments to creditor(s) of matured principal and of interest. It usually includes service charges, etc.
<b>Demand for Grants</b>	:	Demand for Grants is for gross amount of expenditure to be incurred and shows recoveries to be taken in reduction of expenditure separately by way of footnotes, presented to Parliament at two levels. The Demands for Grants are presented by the Ministry of Finance along with the Annual Financial Statement. The Detailed Demands for Grants are laid on the table of Lok Sabha by the concerned ministries a few days in advance of the discussion of respective Ministry's Demand in that House.  : As the Demands for Grants are for gross expenditure and the Annual Financial Statement gives the net amount to be expended under each head, the total of the two should be reconciled after adjustment of the recoveries taken in account in reduction of gross expenditure.
<b>Excess Grant</b>	:	In cases, where expenditure in individual 'segment' of grant/appropriation, i.e. Revenue (Charged), Revenue (Voted), Capital (Charged) and Capital (Voted) exceeds the authorisation as such, the grant/appropriation is termed as excess grant.
<b>External Debt</b>	:	Debt contracted by the Government from abroad, mostly in foreign currency viz., loan from World Bank, IBRD, IDA, etc.
<b>Fiscal Deficit</b>	:	It is the excess of total expenditure including loans net of repayments over revenue receipts and non-debt capital receipts. It also indicates the total borrowing of the Government, and the increment to its outstanding debt.
<b>GDP at factor cost</b>	:	Gross Domestic Product at factor cost measures GDP at the cost of the factors used to produce it, i.e. at the incomes earned by those factors. It is obtained from the GDP at market prices by deducting indirect taxes and adding subsidies.
<b>GDP at market Prices</b>	:	Gross Domestic Product at market prices indicates the value of all final expenditure on the goods and services produced within the country. It is equal to the value of all final goods and services produced in the country in a given period. The evaluation can be done at current prices or at prices prevailing in a base year.
<b>Internal Debt</b>	:	Internal Debt comprises regular loans from the public in India, also termed 'Debt raised in India'. It is confined to loans credited to the Consolidated Fund of India.

**Report of the CAG on  
Union Government Accounts 2008-09**

<b>M3</b>	:	This is broad money defined as the sum of currency with the public, demand deposits and time deposits with the banks, and 'other' deposits with the RBI.
<b>Major Head</b>	:	The main unit of classification in accounts is known as Major Head. A four digit code has been allotted to the Major Head, the first digit indicating whether the major head is a Receipt head or Revenue expenditure head or Capital expenditure head or Loan head.
<b>Minor Head</b>	:	Three digit code has been allotted to the Minor Head starting from "001" under each sub Major head/Major head (where there is no sub major head).
<b>New Service</b>	:	Refers to expenditure beyond certain limit arising out of a new policy decision not brought to the notice of the Parliament earlier, including a new activity or a new form of investment.
<b>New Instrument of Service</b>	:	A large expenditure beyond a certain limit arising out of an important expansion of an existing activity.
<b>Original Grant</b>	:	The amount provided for any service in the 'Annual Financial Statement' in a financial year is called original grant or appropriation.
<b>Primary Deficit</b>	:	Fiscal deficit minus interest payments gives primary deficit. It can be interpreted as the excess of non-interest expenditure of the government over its revenue receipts and non debt capital receipts.
<b>Public Account</b>	:	All moneys other than those included in the Consolidated Fund, received by or on behalf of Government of India, are credited to the Public Account of India [Article 266 (2) of the Constitution of India]. It includes transactions relating to 'debt' other than those included in the Consolidated Fund of India. Public Account transactions are not subject to vote/appropriation by Parliament and the balances are carried forward.
<b>Public Debt (of India)</b>	:	Borrowing by the Government of India internally as well as externally.
<b>Re-appropriation</b>	:	The transfer of funds from one primary unit of appropriation to another such unit.
<b>Reserve Money</b>	:	This is the monetary base. It is the sum of net RBI credit to Government, RBI's claims on commercial and cooperative banks, RBI's credit to the commercial sector, net foreign exchange of the RBI, Government's currency liabilities to the public <i>minus</i> the net non-monetary liabilities of the RBI.
<b>Revenue Deficit</b>	:	This is equal to the excess of revenue expenditure over revenue receipts.
<b>Revenue Expenditure</b>	:	This is meant for normal running of governments' maintenance expenditures, interest payments, subsidies and transfers etc. It is current expenditure which does not result in the creation of assets. Grants given to State Governments or other parties are also treated as revenue expenditure even if some of the grants may be meant for creating assets.
<b>Revenue Receipts</b>	:	These include proceeds of taxes and duties levied by the Government, interest and dividend on investments made by the Government, fees and other receipts for services rendered by the Government.

---

**Report of the CAG on  
Union Government Accounts 2008-09**

---

<b>Stock</b>	:	A form of Government security held as stock certificate and not transferable by endorsement and delivery but by executing a transfer deed and by registering the transfer in the books of the Public Debt Office.
<b>Supplementary Grant</b>	:	If the amount authorised by any law made in accordance with the provisions of Article 114 of the Constitution, to be expended for a particular service for the current financial year, is found to be insufficient for the purpose of that year or when a need has arisen during the current financial year for the supplementary or additional expenditure upon some 'new service' not contemplated in the original budget for that year, Government is to obtain supplementary grants or appropriations in accordance with the provision of Article 115 (1) of the Constitution.
<b>Surrender of saving</b>	:	Departments of the Central Government are to surrender to the Finance Ministry, before the close of the financial year, all the anticipated savings noticed in the grants or appropriations controlled by them. The Finance Ministry is to communicate the acceptance of such surrenders, as are accepted by them to the Audit Officer and/or the Accounts Officer, as the case may be, before the close of the financial year.
<b>Tap Treasury Bill</b>	:	A scrip of 91 days duration by which Government borrows money. This scrip was intended for investment by commercial banks of their surplus. This scrip was discontinued from 1 April 1997.
<b>Treasury Bills</b>	:	An instrument issued by the Reserve Bank of India on behalf of the Union Government to raise short term loans intended to fill transient resource gaps.
<b>Saving</b>	:	When expenditure falls short of budget provision, it results into saving..
<b>Voted Grant</b>	:	Sum required to meet other expenditure for which vote of Parliament is required under Article 113 (2) of the Constitution is called voted grant.