

Government of Pakistan  
Finance Division  
Budget Wing  
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No.F.5(1)-CAO(MoF)/2020-15

Islamabad, 8<sup>th</sup> July, 2020

**OFFICE MEMORANDUM**

Subject: **ALLOCATION OF ADDITIONAL BUDGET THROUGH SUPPLEMENTARY GRANTS FY 2020-21**

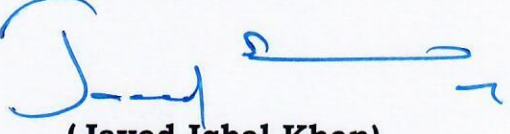
The undersigned is directed to state that provisions contained in the procedures pertaining to supplementary grants have been reviewed in the light of Constitution of Islamic Republic of Pakistan, Public Finance Management Act 2019 and the General Financial Rules.

2 Article 84(a) of the Constitution of Islamic Republic of Pakistan and Section 10 of the Public Finance Management Act 2019 provide that if in respect of any financial year, it is found that the amount authorised to be expended for a particular service is insufficient, or that a need has arisen for expenditure upon some new service not included in the Annual Budget Statement for that year, the **Federal Government shall have power to authorize expenditure** from the Federal Consolidated Fund, whether the expenditure is charged by the Constitution upon that fund or not, and shall cause to be laid before the National Assembly, Supplementary Budget Statement. The General Financial Rules (GFRs) also provides the procedure for supplementary grants.

3 The Divisions/Departments are required to take the following steps before initiating the case for additional budget:

- i) The Principal Accounting Officer (PAO) shall resort to finance an unforeseen emergency or insufficient appropriation by examining the approved allocated budget within grant under detailed heads and meet the requirement through re-appropriation under delegated heads or refer the case to Expenditure Wing, Finance Division for re-appropriation under restricted heads.
- ii) **No token supplementary grant shall be granted.**
- iii) Token grants shall be required, in case an expenditure on any new service or new item during financial year is met through re-appropriation of funds.
- iv) Government is averse, on general principles to admitting demands of supplementary grants. The Federal Cabinet, the National Assembly especially, the Public Accounts Committee have directed to discourage supplementary grant unless extremely critical.

- v) If additional funds are required, the Division/Department concerned shall provide matching funds through surrender order for technical supplementary grant.
- vi) All applications submitted by the PAOs for regular supplementary grants (SG) or technical supplementary grants (TSG) shall be accompanied with a full explanation of the reason on proforma at (Annex- I).
- vii) In case the supplementary grant (SG/TSG) is required for expenditure pertaining to Public Sector Development Program (PSDP), the recommendations of Planning, Development and Special Initiatives Division shall be required before submission of the case to Expenditure Wing, Finance Division.
- viii) All proposals for SG/TSG shall be routed through Expenditure Wing of Finance Division. The Expenditure Wing shall review the position of the grant as a whole with reference to verified actuals as on that date and that of the previous year. After due diligence and having been satisfied the Expenditure Wing may forward the case to Budget Wing, Finance Division with full justification and recommendations.
- ix) Budget Wing, Finance Division shall provide endorsement, duly signed by the Finance Secretary (as per existing practice) to the concerned Division/Department for submission of case to the ECC of the Cabinet for approval.
- x) After approval the Divisions/Departments concerned shall send the authenticated schedule for entry in SAP system to Budget Wing, Finance Division.
- xi) The Division/Department concerned shall provide complete details of the approved SG/TSG cases and coordinate with the Budget Wing, Finance Division for soliciting approval of the National Assembly in terms of Article 84(a) of the Constitution.

  
**(Javed Iqbal Khan)**  
Joint Secretary (BII)

**All Principal Accounting Officers**

**Distribution:**

1. Auditor General of Pakistan, Islamabad.
2. Controller General of Accounts, Islamabad.
3. Accountant General Pakistan Revenues, Islamabad.
4. Military Accountant General, Rawalpindi.
5. Finance Division (Military Wing), Rawalpindi.
6. Pak. Public Works Department, Islamabad.

7. Pakistan Post Office Department, Lahore.
8. Pakistan Railways, Lahore.
9. Central Directorate of National Savings, Islamabad.
10. Geological Survey of Pakistan, Quetta.
11. Chief Accounts Officer, Ministry of Foreign Affairs, Islamabad.
12. Pakistan Mint, Lahore.
13. All Additional Finance Secretaries, Sr. Joint Secretaries and Joint Secretaries, Finance Division.
14. Web Master with the request to upload on Finance Division's Web site.



**(Waheed Ahmed)**  
Chief Accounts Officer (MoF)

Government of Pakistan  
Finance Division  
Budget Wing  
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**PROFORMA FOR SUPPLEMENTARY/TECHNICAL SUPPLEMENTARY  
GRANT 2020-21**

1. Demand No with Description: \_\_\_\_\_
2. Cost Centre with Description: \_\_\_\_\_
3. Supplementary/Technical Supplementary Grant Rs. \_\_\_\_\_
4. Budget and actual to date: FY \_\_\_\_\_

Relevant object Code (s)	Allocated Budget	Actual to date	Balance

5. Reasons why a sufficient amount was not allocated in the original budget: \_\_\_\_\_
6. Justification of Supplementary Grant requested and mention SG/TSG if obtained prior to this during CFY: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
7. Matching fund through surrender order: \_\_\_\_\_
8. Certify that:
  - No saving is available in any Demand controlled by me to cover the supplementary grant request.
  - No further supplementary grant shall be requested during the financial year under the above-mentioned expenditure head/object.

Chief Finance and Accounts Officer  
Date: \_\_\_\_\_

Principal Accounting Officer  
Date: \_\_\_\_\_