

PREAMBLE TO A.P. ACCOUNTS CODE

The Andhra Pradesh Accounts Code comprises the Comptroller and Auditor-General's rules issued in the new Account Code (omitted certain portions which do not concern State transactions) together with "Local Rulings" relating to local variations in account procedure. The Comptroller and Auditor-General's Account Code is divided into four volumes, namely:—

Volume I—General Principles and Methods Accounts.

Volume II—Treasury Accounts

Volume III—Departmental Accounts, and

Volume IV—Accounts kept in Account Offices.

Volume IV of the Comptroller and Auditor-General's Account Code is not included in the Andhra Pradesh Accounts Code, as it contains only instructions regarding the maintenance of accounts in Account Offices. The Andhra Pradesh Accounts Code is therefore issued in three volumes, which correspond to the first three volumes of the Comptroller and Auditor-General's Accounts Code.

Volume I of the Code describes the functions of the Comptroller and Auditor-General of India in relation to Government accounts and the General outlines of the system of these accounts and also sets out the main directions issued by him with the approval of the President by virtue of the Provisions of Article 150 of the Constitution. The list of Major and Minor Heads of Account of Central and State receipts and disbursements, which forms an appendix to Volume I of the Comptroller and Auditor-General's Account Code, has been printed and issued by him separately for convenience of reference. Extracts from this list relating to State transactions have been printed as Appendix (1) to the Andhra Pradesh Budget Manual.

The Comptroller and Auditor-General has explained the general position in regard to accounting arrangements as follows—

"The instructions contained in this List and the directions contained in this volume should, unless the contrary intention has been expressed be considered as mandatory and binding on all concerned. Chapter 2 of this Volume while being descriptive of the accounting arrangements must be considered as prescribing a system of accounts the detailed directions concerning which are contained in the subsequent volumes of this Code. The Incidence Rules, which are included in this Volume (Appendix 3), based as they are on arrangements made between the different Governments by mutual agreement, do not fall strictly within the scope of the directions under Article 150 of the Constitution. It has been recognized, however, that one any arrangements of this nature has been accepted by the Governments concerned, it forms the basis of the proper accounting for the transactions to which it relates. It will not, therefore, be possible to make any modifications in such an arrangement without considering the consequential changes in the accounting arrangements. No Incidence Rule included in this Volume can thus be modified without the concurrence of the Comptroller and Auditor-General-cum-President".

Certain rules of the Comptroller and Auditor-General in Volume I vest power in the State Government to frame rules or to issue orders in regard to particular matter, e.g., Article 43 and the Note and Article 59. The rules and orders issued by the State Government on such subjects have been incorporated as "Local Rulings" under the relevant Articles. Similarly, certain rules of local interest which are not inconsistent with the basic principles laid down by the Comptroller and Auditor-General, have been included as "Local Ruling" in the relevant places for convenience of reference, e.g., the "Local Ruling" regarding classification in Chapter 3. The Rules of the Comptroller and Auditor-General have been printed in larger type than the "Local Ruling" in order to distinguish the two sets of rules from one another.

Volume II of the Code contains the directions of Comptroller and Auditor-General of India relating to the initial accounts kept by Treasuries and the forms in which Accounts are rendered by them to the Audit and Accounts Offices under his control. Similarly, Volume III contains the Comptroller and Auditor-General's directions regarding the initial and subsidiary accounts kept by Public Works and Forest Department Officers and the accounts submitted by these Officers to Audit and Account Offices.

The Comptroller and Auditor-General has explained the position in regard to these matters as follows:

“Article 150 of the Constitution confers on the Comptroller and Auditor-General-cum-President full powers to issue directions regarding the form in which the initial and subsidiary accounts in any department of the Central or a State Government should be kept and such power is obviously necessary in order to enable the Comptroller and Auditor-General to discharge his responsibility for keeping the accounts of the Central and State Governments under paragraph 11(1) of the Government of India (Audit and Accounts) Order, 1936 as adopted by the India (Provisional Constitution) Order, 947 read the Article 147 of the Constitution. Explicit provision has, nevertheless been made in the Initial and Subsidiary Accounts Rules made under paragraph 11(3) of the former Order conferring on the Comptroller and Auditor-General the power to prescribe the form in which initial accounts as well as subsidiary accounts should be rendered to the Audit and Account Offices under his control. The power vested in the Comptroller and Auditor-General-cum-President in Article 150 of the Constitution has been utilized initially for issuing the directions contained in Volumes II and III of the Code but any amendments or modifications of detail to these directions which may be necessary because of any changes made in the general accounts or for other reasons will be authorized by the Comptroller and Auditor-General by virtue of the power conferred upon him by the initial and Subsidiary Accounts Rules”.

The directions and “Local Rulings” in the Andhra Pradesh Accounts Code supersede instructions relating to accounts procedure in the Andhra Pradesh Treasury Code, the Andhra Pradesh Financial Code, and the Andhra Pradesh Public Works Accounts Code and the Andhra Pradesh Forest Department Account Code.

Amendments to the Comptroller and Auditor-General's rules included in the Andhra Pradesh Account Code can be made only by the Comptroller and Auditor-General with the approval where necessary, of the President. The Andhra Pradesh Government have power to alter the “Local Rulings” relating to matters in respect of which the Comptroller and Auditor-General's rules vest power in the State Government to frame rules. Any Officer who notices an error or omission in this Code should report it to the head of his department; if the head of the department considers that there is a real error or omission requiring amendment, he should submit suitable proposals to the Government in the Administrative department. Such proposals should be submitted through the Accountant-General, who will forward them with his comments to the Government in the administrative department. Such proposals should be submitted through the Accountant-General, who will forward them with his comments to the Government in the Administrative department. The administrative department will consult the Finance and Planning (Finance Wing) Department before the Comptroller and Auditor-General is addressed for approval to an amendment to any of the rules and before any order is issued amending any “Local Ruling”.

The Comptroller and Auditor-General has issued certain corrections to Volumes I and II of Account Code consequent on the constitutional changes. These amendments and corrections have been embodied in the Local Rulings and the main Articles in Volumes I and II of this edition.

Volume I of the A.P. Accounts Code gives a general description of the Andhra Pradesh Accounts Code. The Directions in Volumes II have been divided into two parts.

Part I sets out the scope of the Directions and defines certain terms used in this Volume.

Part II lays down the methods and principles according to which treasuries should keep their accounts and render them to the Audit and Account Officers.

The several Chapters in Part II have been so arranged as to distinguish from one another, (i) Direction of the Comptroller and Auditor-General regarding classification, which are, generally speaking, mandatory; (ii) Directions regarding the form of the accounts to be kept, which the Government; may modify in matters of detail in consultation with the Accountant-General; and (iii) Directions regarding the form of the Accounts Returns, in which changes required in view of the local conditions may be authorized by the Accountant-General.

Certain portions of Chapter III & IV in Volume II of the Comptroller and Auditor-General's Account Code do not apply to this State because the sub-treasuries in this State render classified accounts to the district treasury and the district to the Accountant-General "Local Rulings" to accord with the special procedure in this State have been incorporated in the relevant places. Those Articles of the Comptroller and Auditor General's Account Code which are wholly inapplicable to this State for the above reason have been omitted in order to avoid confusion, and the omissions have been indicated by asterisks.

In order to distinguish Forms prescribed in Volume II from those included in Volume III, the Forms in Volume II have been described as T.A. (as abbreviation for Treasury Accounts) Forms.

Modifications have been made in some of the Forms prescribed by the Comptroller and Auditor-General on account of local variations in accounts procedure. The forms prescribed by the Comptroller and Auditor-General have been given Arabic numbers, while those prescribed by the Government have been given Roman numbers and added at the end (i.e., after all the Forms prescribed by the Comptroller and Auditor-General). The distinguishing letters and numbers given to the Forms included in this Code will also be adopted for the purpose of preparing indents for the Forms.

Volume III of the A.P. Accounts Code contains Departmental Accounts. The Comptroller and Auditor-General's directions relating to Central transactions and those which have no application to this State have been omitted in the Andhra Pradesh Account Code, and the omissions have been indicated by asterisks. "Local Ruling" based on the provisions of the Andhra Pradesh Public Works Account Code and the Andhra Pradesh

Forest Department Account Code have been added where necessary with reference to local variations in regard to accounts procedure.

The rules laid down in this Volume in regard to transactions of the Public Works Department will apply to the Electricity Department also except where otherwise stated.

The Forms prescribed in this Volume have been grouped into two series, namely P.W.A. (an abbreviation for Public Works Accounts) and F.A. (an abbreviation for Forest Accounts) so that it may be determined readily to which department the particular form relates. In addition to the forms prescribed by the Comptroller and Auditor-General, some forms in the Andhra Pradesh Public Works Accounts Code and the Andhra Pradesh Forest Department Account Code have been included in this Volume in order to provide for local variations in accounts procedure, and these latter forms should be deemed to be forms prescribed by the Government in consultation with the Accountant-General. Modifications have been made in some of the Forms prescribed by the Comptroller and Auditor-General on account of local variations in accounts procedure. The Forms prescribed by the Comptroller and Auditor-General have been given Arabic numbers, and the Forms prescribed by the Government have been given Roman numbers. The distinguishing numbers and letters given to the Forms in this volume should also be adopted for the preparation of indents for the Forms.