

## **BUDGET PREPARATION**

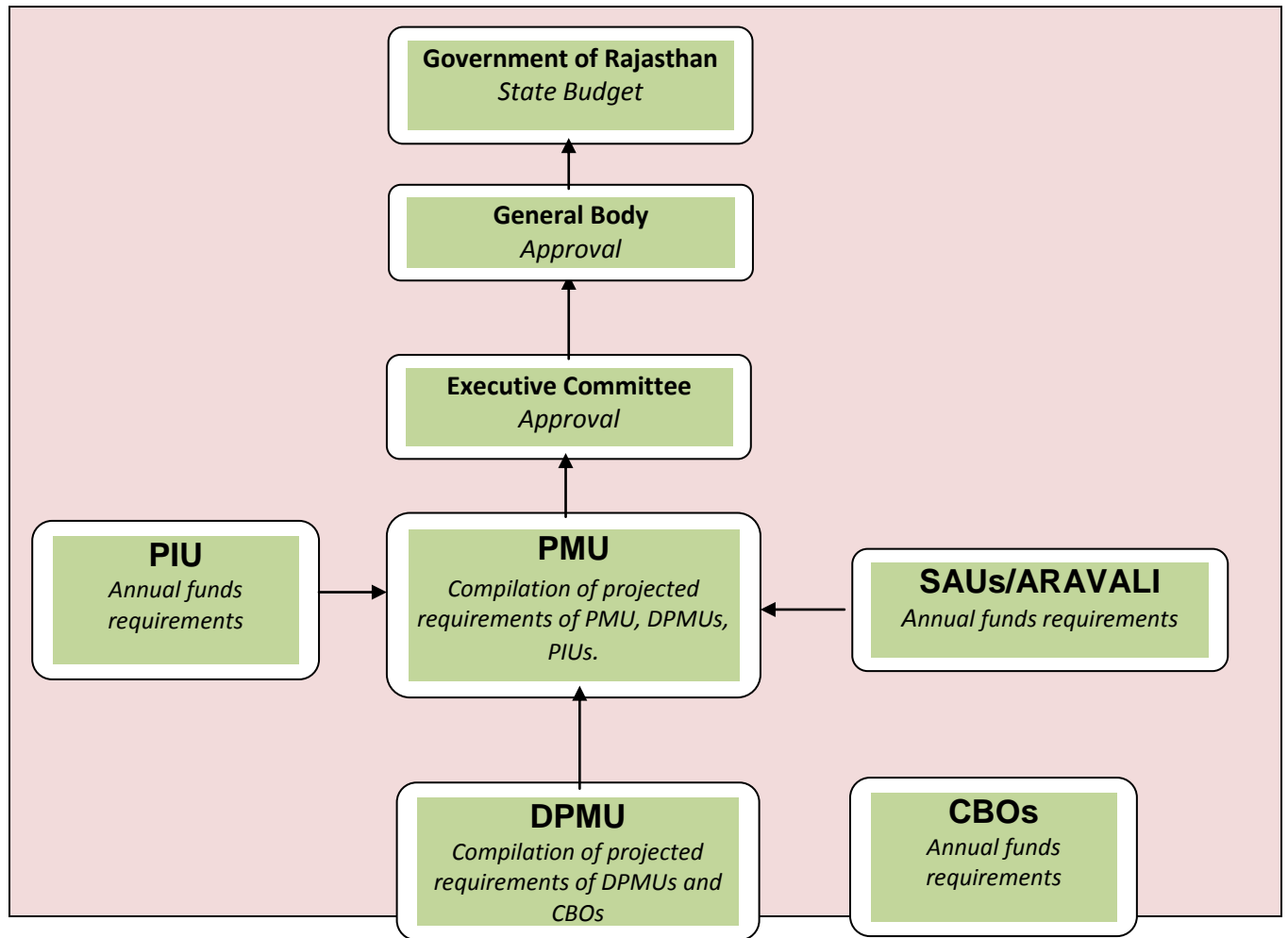
The budget preparation exercise will start from each level. At Micro Cluster Level which is duly approved by Executive Committee and implemented by the line departments) shall prepare its proposed Annual Work Plan Budget on realistic basis every year based on the information's and evaluation of demand at Micro Cluster level and submit the same to the PIU by 07<sup>th</sup> December. The PIU shall consolidate the budget and submit with its input to the PMU by 20<sup>th</sup> December. The PMU shall compile the all Line departments budget and its own budgets and prepare and submit the budget for evaluation to Project Executive committee by 15<sup>th</sup> January and Project General Body after evaluation and examination and suggesting necessary changes approve by 31<sup>st</sup> January and submit to the Government of Rajasthan (GoR) every year for budget finalization committee meetings.

The project funds will be budgeted in GoR's budget, as an identifiable budget head, under Major Head 2401 Capital Outlay on Agricultural Programmes (under Agriculture Department) and, under subhead "Rajasthan Agricultural Competitiveness Project".

### **Timelines of budget preparation and submission at various project levels**

| <b>Prepared by</b>       | <b>Submitted to</b> | <b>Timeline</b>       | <b>Activity</b>  |
|--------------------------|---------------------|-----------------------|--|
| DPMU AND LINE DEPARTMENT | PMU                 | 20 <sup>th</sup> Dec. | Consolidation of budget estimates of Clusters with its input.  |
|                          |                     |                       |  |
| PMU                      | Executive Committee | 15 <sup>th</sup> Jan. | Consolidation of budget estimates of DPMU's, PIUs and budget expenses of other service providers with its input for evaluation and examination for final approval. |
| Executive Committee      | General Body        | 20 <sup>th</sup> Jan  | For approval   |
| PMU                      | GoR                 | 31 <sup>st</sup> Jan  | Approved budget to GoR finalizing Committee for inclusion in State Budget and approval from State Legislature  |

## BUDGET ESTIMATE FLOW OF INFORMATION RELATED TO BUDGET ESTIMATE



## BUDGET MONITORING

It is essential that the expenditures incurred are continuously monitored with the amounts budgeted. This will be required to ensure that expenditures incurred do not normally exceed amounts budgeted. For this purpose, the main head-wise balance available as per the budget will have to be monitored periodically.

The Finance Manager will prepare the variance report on quarterly basis and submit the same to the Chief Accounts Officer at PMU for information and remedial action if required under any component.

The funds of the project shall not be used for the purpose not envisaged in the action plan approved by the competent authority.

If any midterm change is required, proposal should be made in the prescribed format as and when required to GoR before the supplementary budget.