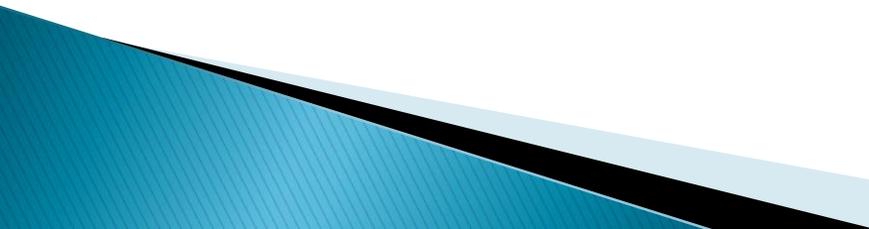


Finance, the life blood of an organization

Money makes the mere go



Budgeting for the Judiciary

- ▶ Budgeting Process
 - ▶ Non-Plan Budget
 - ▶ Usually not subjected to debate or Discussion
 - ▶ Allocation are made for most item of expenditure
- 

Improvement required

- ▶ We are not proficient in planning and preparation of Budget
 - ▶ Rudimentary Knowledge
- 

13th Finance Commission awarded

- ▶ **Special grant for following purpose.**
 - ❑ Operation of morning/evening/special shift courts
 - ❑ Establishing alternative dispute resolution (ADR) centres and training of mediators/conciliators
 - ❑ Lok Adalats
 - ❑ Legal aid
 - ❑ Training of judicial Officers
 - ❑ State Judicial academies
 - ❑ Training of public prosecutors
 - ❑ Creation of posts of court managers
 - ❑ Maintenance of heritage court buildings

Manpower Requirements

- ▶ The Law Commission's 120th report was the first to raise the red flag on Manpower Requirements.
- ▶ The 127th Law Commission Report provided further details of how sanctioning of additional manpower requirements needs to be rationalized and appointments need to be made in time. However, the position has not changed much since then.

OUTLAY vs OUTCOME

- ▶ Increased allocation towards court infrastructure and court staff.

VS

- ▶ Measure the impact of expenditure on efficiency of judiciary.

Suggestions

- ▶ Budget preparation practices need to consider improvement in operational efficiency and capital expenditure requirements in order to be effective.

Suggestions

- ▶ The administrative capacity of the judiciary with respect to budget-making needs to be enhanced.

Suggestions

- ▶ From the annual financial statements released by state government, it is not possible to analyse the quantum of expenditure on modernisation, computerisation, upgradation, and expansion, and more detailed disclosures need to be made.

Suggestions

- ▶ This assumes even more significance as the 14th Finance Commission has put the onus on state governments for making budgetary allocation to the judiciary.

Suggestions

- ▶ Given the enormous social impact of the operation of the judiciary, the High Courts and the Law Ministry should consider the idea of transparent budget-making process based on public inputs and presenting the same separately from the general budget.
- 

Suggestions

- ▶ This would also assuage any concerns about the independence of the judiciary from a financial perspective.

Resource allocation and resource acquisition

Resource allocation and resource acquisition are inextricably linked. The practical implication of this linkage include:

- ▶ Finance and budget must command the court manager's attention throughout the year, not just when the court budget is being prepared or presented;

Resource allocation and resource acquisition

- ▶ Effective budget planning and management require consideration of available resources and funding sources; the goals to be advanced by court expenditures; and the people, work or activity to be funded;

Resource allocation and resource acquisition

- ▶ Effective budgeting and financial management mandate continuous change in what a court does and how it does it, given the court's purpose, priorities and performance. Court leaders must adjust court spending and programs to respond to court-determined priorities and external pressures, including external funding authorities, and available funding and revenue sources;

Resource allocation and resource acquisition

- ▶ Change is incremental. To manage change rather than to be managed by change and to improve court performance over time, the court executive leadership team must have vision, will, strategy, a multi-year budget plan and long-term commitment.

Resource allocation and resource acquisition

- ▶ The ability to be persuasive when presenting court needs and budgets requires leadership and interpersonal skill, but cannot be effective unless required and technically sound supporting data has been assembled.

**What court leaders
need to Know and be
Able to do?**



Six Interrelated managerial, technical and interpersonal Guidelines for Court Leaders



Court Purposes and Vision

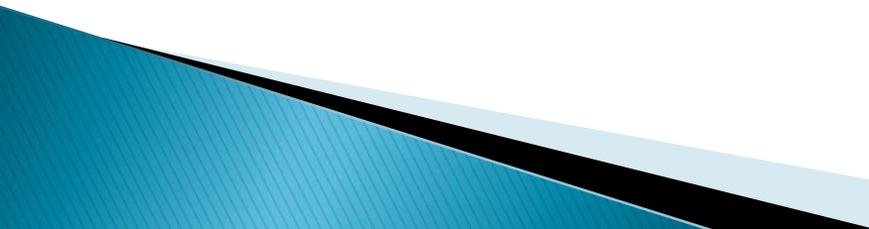
The Court's allocation, acquisition and management of its resources must be oriented to the court's purposes and responsibilities and its future vision.

Fundamentals

Court leaders must understand that budget and finance fundamentals are means rather than ends unto themselves.

Leadership and Interpersonal Effectiveness

Expert court budgeting requires expert leadership and management of the court, its budget and finance staff, and resources. Budgeting is not a technical, once-a-year bookkeeping exercise.



Problem Diagnosis and Change

Anticipating,
identifying and
diagnosing court
problems



Technology

Important tools include personal computers, spreadsheets, database and financial management software.

Budget Controls and Performance Monitoring

- ▶ Courts must account for their use of public funds.

Re-appropriation of Budget

Financial Autonomy

Different wings of Civil Court

**Being Forewarned is
being forearmed**

– Swami Vivekanand

Portfolio Management

- Case Management
- A Concept first introduced by the banking and finance industry

The Way Forward



Meeting Benchmarks



Procurement Rules



Proper Utilisation of Funds



**Business
Ethics
vs
Profiteering**



- ▶ **TA Rules**
 - ▶ **DA Rules**
 - ▶ **Procurement Rules**
 - ▶ **Account Section**
 - ▶ **L1 Concept**
 - ▶ **Nazarat etc.**
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