

OFFICE MEMORANDUM

Subject: Expenditure management and rationalization of expenditure.

1. Finance Department has been issuing instructions from time to time with the view that all departments may maintain a balanced and regular flow of expenditure during the entire financial year so that the Government schemes and projects are implemented as per the time schedule. It has been observed that inspite of instructions the progress of expenditure is not proportionate with time schedule.

2. Review and monitoring of the objectives of the schemes/programmes and projects are under the administrative control of the respective Heads of Departments. The physical and financial progresses of such programmes alongwith the achievement of the targets are to be ensured by them.

3. The mid-term review of the Budget Estimates for possible expenditure during the financial year will be based on the expenditure already incurred by the department. Proportionate reduction in the budget provisions will be made in the Revised Estimates for the remaining period of financial year. No relaxation will be allowed except in exceptional cases.

4. All the departments are therefore, again advised to maintain a balanced pace of expenditure throughout the financial year. Rush of expenditure on procurement should be avoided during the last quarter of financial year and in particular, the last month of the year so as to ensure that all procedures are complied with and there is no infructuous or wasteful expenditure.

5. It is therefore requested to have mechanisms in place for regular review of expenditure at department level to evaluate the trend of expenditure especially implementation of Government schemes/programs/projects. This will enable early remedial action, if required, to be put in place to achieve targets within stipulated timelines.



(Renu Sharma)

Principal Secretary Finance

Copy forwarded to for information and necessary action to:

1. All Secretaries/Head of Departments, Govt. of NCT of Delhi
2. The Secretary to Deputy Chief Minister/Finance Minister, Govt. of NCT of Delhi.
3. The O.S.D. to Chief Secretary, Govt. of NCT of Delhi.
4. The Special Secretary (Finance/Planning), Govt. of NCT of Delhi
5. The Joint Secretaries (Expenditure/Accounts), Govt. of NCT of Delhi
6. The Deputy Secretaries Finance (I / II / IV / VI), Govt. of NCT of Delhi.