



सत्यमेव जयते

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D.O. F.No.8/B/10 (76) HRD (EMC)/2018

19th April, 2018

Dear *Colleague,*

Sub: Budget planning during FY 2018-19- reg.

As you are aware that the Budget Estimates (2018-19) have been voted by the Lok Sabha and the connected Appropriation Bill has also been assented by the President on 25th March, 2018. All Budgetary Authorities under CBIC have been provided object head-wise funds vide EMC letter dated 31.03.2018 as per their requirements and based on the trend of expenditure of the previous financial year.

2. I would like to emphasise that there is an urgent need to optimize available resources and to take adequate measures for promoting fiscal discipline and to plan and rationalise expenditure without restricting the operational efficiency of the Government.

3. With this view, all Budgetary Authorities are required to specially monitor the fund requirements vis-à-vis the expenditure and to take the steps as listed in enclosed Annexure "A".

With *best wishes,*

Yours *sincerely*

S. Ramesh
(S. Ramesh)

All Budgetary Authorities under CBIC.

Budget Planning:

W.r.t FY 2018-19, funds have already been allocated to all the Zones,

- All Budgetary Authorities and HoDs are required to monitor the fund requirements vis-a-vis the expenditure closely w.e.f the start of the FY 2018-19 itself.
- A '**Budget Cell**' may be constituted in each the ZONE and each Commisionerate for a single-point contact for fund related issues.
- Budgetary Authorities (BAs) should review the expenditure every month and follow the Monthly Expenditure Plan (MEP) strictly.
- Even pace of expenditure needs to be maintained in each month /quarter.
- Budgetary authorities should personally ensure that the **MER (monthly returns)** are furnished to EMC,DGHRD by 20th of every month. Most often the MER is received 2-3 months late.
- **Arrears'** payable should be tabulated and paid in the beginning of the FY.
- The **BAs can balance & prioritise the fund requirements within the Zone** at their own level and redistribute the funds on need basis amongst the formations under them.
- The slow utilisation of one formation can compensate for an unanticipated fund requirement in another formation in the same Zone.
- The Unutilised balances available with the formations in the Zone should be taken into account before seeking fresh funds from EMC.
- The unanticipated fund requirements (say for Infrastructure projects) arising during the year can always be sought in the RBE by August or December.
- Infrastructure projects, once sanctioned, should be reviewed periodically & be closely monitored with the implementing agency.
- By August 2018, the requirement for the next FY2019-18 should also be ready. The Projected fund requirements should be realistic and doable.
- Rush of expenditure on procurement should be avoided during the last quarter of the fiscal year and in particular the last month of the year. As per extant instructions, not more than one-third (33%) of the Budget Estimates may be spent in the last quarter of the financial year.
- During the month of March, the expenditure should strictly be limited to 15% of the Budget Estimates.
- No fresh financial commitments should be made on items which are not provided for in the BE/RE approved by the Parliament after January.