No.30-1(36)/2017-IFD
Dated 10-9-2020

To

Heads of all National Laboratories/Institutes

Subject: Expenditure Management- Further Economy Measures.

Sir,

I am directed to enclose a copy of Ministry of Finance, Department of Expenditure vide OM No.7(2)/E.Coord/2020 Dated 4th September, 2020 on the above subject for your information, guidance and compliance.

Yours faithfully,

(Ajay Kumar)
Finance & Accounts Officer

Encl : a/a

Copy to :
1. Head, IT Division with the request to make the OM on website.
2. Office copy

F.No.7(2)/E.Coord/2020
Government of India
Ministry of Finance
Department of Expenditure
North Block

New Delhi
Dated:-4 Sept. 2020

OFFICE MEMORANDUM

Subject: - Expenditure Management – Further Economy Measures

With a view to improving the quality of public expenditure, containing non-developmental expenditure and ensuring availability of adequate resources for meeting the needs of critical priority schemes, Ministry of Finance, has from time to time issued instructions on Expenditure Management.   In the context of the present fiscal situation and the consequent pressure on Government resources, there is a need for further economy and rationalization of non-priority expenditure, while protecting and preserving priority expenditure. With this objective, the following economy instructions will come into force with immediate effect.

1. **ADMINISTRATIVE EXPENDITURE:-**

All Ministries/Departments including Attached Offices/Subordinate Offices and Autonomous Bodies shall observe the following instructions for curtailing Administrative Expenditure.

a.) No printing/publishing of books, publications, documents, etc. will be done on imported paper, except where printing is done abroad by Indian Missions, etc.

b.) Expenditure on functions such as celebrations of Foundation Day, etc. should be discouraged or if felt necessary be appropriately curtailed. In any case, travel for such functions and provision of bags or mementoes should be avoided.

c.) Consultancy Assignments - All Ministries/Departments may carry out a review of the individual Consultants appointed in their respective Ministries/Departments in consonance with the provisions of GFR and

reduce the number of Consultants to the minimum requirement. Due economy may be observed while determining the fees of the Consultants and care may be taken that such fees are not disproportionate to the quality and quantity of work to be carried out by the Consultants.

2. CREATION OF POSTS:-

a.) There will be a ban on creation of new posts, except with the approval of Department of Expenditure, in Ministries/Departments, Attached Offices, Subordinate Offices, Statutory Bodies and Autonomous Bodies.

b.) This ban will cover all creation of posts under powers which have been delegated to any organization regardless of the source of such authority or power.

c.) If any posts have been created after 01.07.2020 under delegated powers or authority, without approval of Department of Expenditure and have not yet been filled, then such posts shall not be filled. If it is deemed absolutely essential to fill them, proposals may be sent for approval of Department of Expenditure.

3. Secretaries of the Ministries/Departments, being the Chief Accounting Authorities as per Rule 70 of GFR, shall be fully charged with the responsibility of ensuring compliance of the above instructions. Financial Advisers shall assist respective Departments in securing compliance with these measures.

(Dr. T. V. Somanathan)
Secretary (Expenditure)

All Secretaries of the Government of India
Copy to:-

1. Principal Secretary to the Prime Minister
2. Principal Advisor to the Prime Minister
3. Cabinet Secretary
4. CEO, NITI Aayog
5. All the Financial Advisors