

**GOVERNMENT OF MEGHALAYA
FINANCE (ECONOMIC AFFAIRS) DEPARTMENT**

No. FEA.93/2004/147,

Dated Shillong, the 09th June, 2016.

From: Shri Y. Tsering, IAS
Additional Chief Secretary,
Government of Meghalaya
Finance Department.

To

1. All Principal Secretaries/Commissioner & Secretaries/Secretaries to Government of Meghalaya.
2. All Heads of Departments Government of Meghalaya.

Subject: **Economy measures in respect of Administrative Plan and Non-Plan expenditure during 2016-2017**

Sir,

I am directed to say that in the context of the budgetary deficit and the resource constraint being faced by the State Government during the current financial year, it has become imperative to curtail expenditure and observe strict austerity in all areas of expenditure. With a view to achieving this objective, it has been decided to adopt with immediate effect the following economy measures:

- (i) **Creation of Posts** – No new posts under 'Plan' should be created without prior specific concurrence of Finance Department. Creation of new post under Non-Plan will not be entertained. Delegation of Powers to Administrative Departments and other authorities in this respect is suspended to that extent.
- (ii) **Re-appropriation of Savings** –
 - (a) The Powers of all the Departments to re-appropriate savings shall remain withdrawn in respect of Non-Plan Budget.
 - (b) Under State Plan Budget, the Powers to re-appropriate savings is allowed to all the Departments strictly as per the Delegation of Financial Power Rules, 2006 as amended from time to time. However, the re-appropriation of savings from 'Salaries' may be done only with the prior concurrence of Finance Department.
- (iii) **Travel Expenses** – Instruction to restrict the tours, both within and outside the State, is being issued every year but it is observed that the expenditure on



Travel Expenses has been going up year after year as evident from the Additional requirements submitted by various Departments by re-appropriation or through CF/SD.

It is again reiterated that the tours, within and outside the State, should be regulated. For tours outside the State, prior approval of Chief Secretary/Minister in-charge may be obtained. Officer who is not entitled to travel by Air should not perform any air journey without specific prior approval of Finance Department.

- (iv) **Leave Travel Concession** – The L.T.C. facilities admissible to State Government Employees shall remain temporarily withdrawn until further orders. However, LTC on the eve of retirement i.e. within 1 year of retirement will be allowed with prior approval of Finance Department.
- (v) **Leave Encashment** – It has been withdrawn temporarily. However, leave encashment facility is admissible to Government Employees only on attaining superannuation.
- (vi) **Fixture, Furnishings etc.** – Strict Economy should be exercised in purchase of new fixtures/furnishings/furniture/office equipments/electrical appliances. No new fixtures and furnishings should be purchased solely because of change in the incumbent. The approved scale for furnishings should be strictly adhered to.

No order for any purchase of office fixtures and furnishings should be placed after January of the financial year irrespective of the fact that approval of the competent authority has already been obtained. In case the Department considers that the purchase of any items can not be postponed or deferred till the next financial year, the case should be referred to Finance Department with full justification.

- (vii) **Casual Labour** – Employment of casual labour should not exceed 3 months.
- (vii) **Dinners and Lunches** – Austerity should be observed in hosting meetings involving dinners and lunches. The number of invitees should also be restricted to the minimum. Dinners and lunches while hosting official meetings be banned completely in all such cases where the participants are drawn from the station only i.e. in the event of not having visiting participants,

- (ix) **Publicity and Publication** – Publicity programme including publications, should be reviewed and suitable re-adjustments made taking into account the increase in the cost. The expenditure incurred in printing of diaries and calendars should be restricted to the minimum.
- (x) **Maintenance of Buildings** – Only essential maintenance of Government buildings may be undertaken within prescribed limit for such works.
- (xi) **Vehicles** – (a) Purchase of new Vehicles should be restricted to the requirement of individual Department as assessed by Department of Transport in accordance with its Memo No.TPT.69/90/9-A, dt. 20.8.1990, letter No. TPT.38/97/115, dated 25.11.2004 and No.TPT.38/97/194, dated 13.3.2010. No new vehicle should be purchased even for replacement without specific prior approval of Finance and Planning Departments. Purchase of new Vehicle should not be made except under extraordinary circumstances.
- (b) No vehicle to be purchased by Corporation/Boards/Agency even if approved by Board of Directors without the specific approval of Government and following procedure as per (a) above.
- © Departmental Officers should ensure proper use of Pool Vehicles. Log Books should invariably be maintained, indicating the purpose of the journey and kilometers traveled to each trip.
- (xii) **Purchase of Machineries and equipment** – Purchase of machinery and equipment should normally be made from 'Plan' in case when purchase of machinery and equipment from non-plan is absolutely essential, specific prior approval of Finance Department should be obtained.
- (xiii) **Purchase of Stores** – Public Works Department, Public Health Engineering, Forests, Soil Conservation and Agriculture Departments should ensure
- (a) that their divisional officers do not exceed their respective powers in respect of stores under any circumstances. In the case of the P.W.D. and P.H.E., purchase should be made on the basis of funds available under LOC.
- (b) Purchase of stores from the open market should be stopped unless the same are not available at D.G.S. & D rate contract.



- (c) Inventory of stores/materials required to be purchased should be prepared with necessary arrangements for procurement in a phased manner.
- (d) Purchase of stores/materials should be made only after taking into consideration the immediate needs for the same. Large scale and haphazard purchase of stores and materials should be avoided.
- (e) No purchase of stores/materials should be made merely to ensure that funds sanctioned for various programmes/schemes do not lapse.
- (f) Meeting of the Purchase Boards should be held within 31st December and supply order should not be placed after 31st January. The above dates are prescribed to ensure that all supplies required can be purchased and works can be allotted within the year and payment on this score is made within the financial year.

2. All controlling officers should strictly ensure that in no circumstances expenditure exceeds the budgetary provision or such provision as prescribed after mandatory budgetary cut. For any deviation of expenditure from the prescribed ceiling without prior authorization, the Controlling Officers shall be directly accountable. Unauthorized expenditure over and above the budgetary provision will be dealt with severely and responsibility fixed.

3. The Practice of incurring or committing expenditure in a particular year and postponing the actual payment of bills to the subsequent financial year(s) is improper and should be stopped forthwith. The past practice of carry-forward of unpaid bills and other liabilities to the next year has been in utter disregard of accepted canons of financial propriety and results in foreclosure of budgetary appropriations in the following year without proper authorization.

4. The aforementioned instructions/measures, though specific in certain areas of expenditures, should also be treated as broad-guide-lines to Government Departments/Officers for effecting economy in other areas of expenditures.

5. Further, the Heads of Departments are requested to bring the above instructions to the notice of their subordinate officers and ensure their strict compliance. Public Sector Undertakings, Municipalities and Town Committee may also be advised to follow the above economy measures.



You are, therefore, requested to kindly adhere strictly to the directive and action taken report to be submitted to this Department at the earliest.

This issue with the approval of the competent authority.

Yours faithfully,

(Y. Tsering)

Addl. Chief Secretary to the Government of Meghalaya
Finance Department

Memo No. FEA.93/2004/147,

Dated Shillong, the 09th June , 2016.

Copy forwarded for information and necessary action to:

1. The Private Secretary to the Chief Minister, Govt. of Meghalaya for favour of information of Chief Minister.
2. The Private Secretary to the Deputy Chief Minister, Govt. of Meghalaya for favour of information of Deputy Chief Minister.
3. The Private Secretary to Minister/Parliamentary Secretary for information of Minister/Parliamentary Secretary.
4. All Chairpersons/Deputy Chairperson of the Boards/Corporation for information.
5. The Private Secretary to Chief Secretary to the Govt. of Meghalaya for information.
6. Commissioner & Secretary Programme Implementation Department (Public Enterprise Cell) for necessary instruction to the Administrative Department concerned to issue directives to the Public Sector Undertakings/Boards/Agencies under them to strictly observe the Economy measures.
7. All Branches of Finance Department.
8. All Deputy Commissioner/Sub-Divisional Officers (Civil).
9. The Secretary, Meghalaya Legislative Assembly.
10. The Secretary, Meghalaya Public Service Commission.
11. All Treasury Officers.
12. All Financial Advisers/Finance & Accounts Officers.
13. All Municipalities and Town Committees.

By order etc.,

(E.Y. Chen)

Joint Director Institutional Finance & Ex-officio
Deputy Secretary to the Govt. of Meghalaya
Finance (Economic Affairs) Department