

New Delhi,
27th December, 2019

OFFICE MEMORANDUM

Subject: Cash Management System in Central Government - Guidelines for Expenditure Management in the last quarter/month of current fiscal viz. 2019-2020.

The undersigned is directed to invite a reference to this Ministry's O.M. issued under F.No.15(39)-B(R)/2016 dated 21.8.2017 (copy enclosed for ready reference) regarding modified exchequer control based expenditure management under Cash Management System in Central Government and to state that the existing guidelines for expenditure control have been reviewed. Considering the fiscal position of the Government in the current financial year, it has been decided to cap the expenditure in the last quarter/last month of the current financial year viz 2019-20 as indicated below:

Expenditure during -	Existing criteria	Revised criteria for 2019-20
Last quarter (Jan-Mar)	33% of BE	25% of BE
Last Month (March)	15% of BE	10% of BE
Balance period (Jan & Feb)	18% of BE	15% of BE

2. For further clarity in regulating the expenditure, the following guidelines for incurring expenditure in the last quarter/last month of current financial year (2019-2020) are issued:

- (i) Expenditure in the last quarter 2019-20 is to be restricted to 25% of BE;
- (ii) Expenditure in the last month of current financial year should not be more than 10% BE;
- (iii) In case of reduction in expenditure ceiling in RE vis-à-vis BE, the expenditure should be restricted to ceiling indicated in RE;
- (iv) In case of any expenditure (through re-allocation of savings within the Grant) requiring prior approval of Parliament, expenditure may be incurred only after obtaining the approval of Parliament through Supplementary Demands for Grants; and
- (v) In case of additionality agreed in RE, any additional expenditure may be incurred after having obtained the approval of Parliament.

3. Ministries/Departments are requested to observe the above guidelines strictly and regulate the expenditure accordingly in the current financial year. Items of large expenditure would continue to be governed by the guidelines issued vide this O.M. dated 21.8.2017

4. This issues with the approval of Secretary, Department of Expenditure.


(Rajat Kumar Mishra)
Joint Secretary (Budget)

Secretaries of all Ministries/Departments;
Financial Advisers/Pr.CCAs/CCAs of all Ministries/Departments;
Controller General of Accounts, Ministry of Finance;
Office of the Comptroller & Auditor General of India.