

2/2/2018-FR(1)
Government of Manipur
Secretariat: Finance Department
(Resource Section)

OFFICE MEMORANDUM

Imphal, the 24th September, 2020

Subject: Expenditure Management- Economy Measures and Rationalisation of Expenditure

The economic dislocation inflicted by the COVID-19 pandemic has seriously impacted the resource availability of the State Government. The quantum of resource transfer from Government of India and the extent of mobilisation of State's Own Resources are likely to see a sizeable reduction vis-a-vis the previous fiscal years. On the other hand, the amount to be incurred on meeting recurring expenditure is likely to see an increase during the current fiscal due to certain commitments made by the Government, including unavoidable expenditure on COVID-19 related activities.

2. In view of the above, it has become imperative to cut down on non-essential expenditure to ensure that scarce resources are made available for meeting unavoidable and committed expenditures of the State. Therefore, the following economy measures shall be implemented, in light of the situation mentioned above:

i. **Excess Authorisation:**

No further excess authorisation over the budget provision will be considered, except for Central Share of CSS and CPS and other Central grants for which funds have been received, and for salary and pension related payments, if there is a shortfall in the BE provision which cannot be met through re-appropriation.

ii. **Commitments on expenditure:**

No financial commitments shall be made by any Department on items for which expenditure sanction has not been obtained. A tendency has been observed in some Departments that financial commitments are made even before the expenditure sanction is issued. In such cases, the concerned Department/Officer shall be solely and personally liable for payments under the Manipur Public Servants' Personal Liability Act 2006, especially, if there is a direction from any Court of Law.

iii. **Revenue target realisation:**

All major tax and non-tax revenue collecting Departments shall take urgent necessary measures to meet their targets for the current fiscal year, 2020-21.

iv. **Ban on recruitment:**

Orders issued by the Department of Personnel regarding ban on recruitment, on direct, part-time, contract, ad-hoc, substitute and casual basis, shall continue and there shall be no further creation of posts and filling up of vacant posts, except by promotion, for which salary expenditure would have to be borne out of State's own resources directly through Consolidated Fund of the State. All on-going recruitment processes should be put on hold except those already started with the approval of Cabinet.

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v. **Ban on creation of new entities:**

No new entities, either functional or territorial, involving expenditure out of the Consolidated Fund of the State will be created.

vi. **Prioritisation of Funds:**

- a. There shall be a strict prioritisation on release of funds to the Departments. Subject to availability of funds, first preference will be accorded to release of Central Share and State Matching Share for which Central Share has been released by the Government of India.
- b. E/S, E/P and CDA for projects funded out of State's own resources may be released only on a case-to-case basis, depending on the availability of adequate resources, importance and urgency of the work. The Administrative Departments shall clearly justify such proposals while referring to Finance Department for release of funds.

vii. **Seminars, Conferences, Fairs etc :**

- a. Utmost economy shall be observed in organising conferences /seminars/ workshops/ exhibitions/fairs, etc. Only such events, which are absolutely essential, should be held.
- b. Holding of or participating in exhibitions/ seminars/ workshops abroad at the cost of the State Government is prohibited. Proposals for participation in study tours/ workshops/ conferences/ seminars/ presentation of papers abroad at the cost of the State Government cost will not be entertained except for those fully funded by sponsoring agencies.
- c. There will be a ban on holding meetings and conference at Hotel, except for those which are of vital importance to the State.
- d. Presentation of bags and mementos during celebration of Foundation Day, Conferences, Workshops shall be avoided.
- e. Meetings shall be conducted through video conferencing as much as possible.
- f. State Banquets, Gifts and Hospitality will be banned in general, except in cases of vital importance to the State.

viii. **Purchase of vehicles:**

Purchase of new vehicles is banned with immediate effect.

ix. **Ban on printing of diaries, coffee table book etc:**

There will be complete ban on printing of diaries, greeting cards, coffee table books and calendars in physical forms by Administrative Departments, except those published by DIPR.

x. **Ban on purchase of office furniture/equipments and luxury items:**

Purchase of office furniture/ equipment and luxury items shall be made only with prior approval of the Finance Department.

xi. **Advance Payment:**

As a general rule, advance payment shall not be allowed except for the following conditions:

- a. Advance payments to contractors under terms of duly executed contracts so that Government would not renege on its legal or contractual obligations;

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b. Any other exceptional case with the approval of Finance Department.

xii. **Grants-in-Aid:**

- a. No amount shall be released to any entity which has defaulted in submission of Utilisation Certificates for grants-in-aid released by Government. Even in cases where UCs have been submitted, Finance Department shall properly scrutinise the fund position and balance available whenever any proposal for release of GIA amount is received from any GIA entity. The GIA amount shall be released keeping in view the balance available with the GIA body/entity and the extant resource position of the State.
- b. The ES/EP/CDA issued by Finance Department must clearly specify the status of UCs submitted. It is re-iterated that fund released shall be strictly linked to the submission of UCs by implementing agencies.

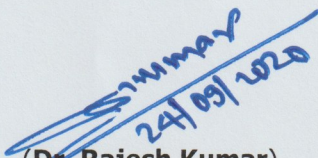
xiii. **Procurement of goods:**

To ensure procedural compliance and to avoid serious audit objections, no procurement related expenditure shall be entertained in the last quarter of the fiscal year.

xiv. **Hiring of Consultants:**

All Administrative Departments are advised to review and reduce the number of consultants to the minimum.

3. The Administrative Secretary and Head of Department shall be responsible for ensuring compliance of the measures outlined above. Drawing and Disbursing Officer (DDO) and Finance Officers posted in the Departments shall also ensure that aforementioned provisions are strictly adhered to whenever any payment proposal/ES proposals are forwarded to the Finance Department.
4. Treasury and Sub-Treasury Officers shall also check that the bills forwarded by Departments for encashment are not in contravention of the directions outlined above.
5. These instructions shall apply to all Government Departments, State Public Sector Undertakings (SPSUs), State Level Autonomous Societies, Development Authorities and other Statutory and non-Statutory bodies fully or partly funded by the State Government.
6. No exemption to the above measures shall be allowed, except with approval of the Finance Department.
7. These instructions shall come into force with immediate effect.
8. This issues with the approval of the Competent Authority.


(Dr. Rajesh Kumar)
Chief Secretary (Finance)
Government of Manipur

Copy to:

1. Secretary to the Hon'ble Governor, Manipur

2. Secretary to the Hon'ble Chief Minister, Manipur
3. PPS/ PS to Hon'ble Minister _____
4. Staff Officer to the Chief Secretary, Government of Manipur
5. All Administrative Secretaries, Government of Manipur
6. The Registrar General, Hon'ble High Court of Manipur
7. Secretary, Hon'ble Manipur Legislative Assembly
8. All Heads of Departments
9. Director, Treasuries & Accounts, Manipur
10. All Officers of Finance Department
11. Guard file

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(Neilenthang Telien)
Joint Secretary (Finance)
Government of Manipur