

No. F.2(1)/2018-19/Fin.(B)/jsbudget/ 1356
FINANCE (BUDGET) DEPARTMENT
GOVT. OF N.C.T.OF DELHI

4th Level, A-Wing, Delhi Sectt.
I.P. Estate, New Delhi
Dated: 12/09/2018

OFFICE MEMORANDUM

SUB: REVISED ESTIMATES 2018-19 & BUDGET ESTIMATES 2019-20.

The Finance Department has initiated the process of preparation of the Revised Estimates (RE) for 2018-19 and Budget Estimates (BE) for 2019-20. All the departments are therefore requested to submit the Revised Estimates 2018-19 and Budget Estimates 2019-20 in the prescribed proforma I to XIV in accordance with the provisions of the General Financial Rules 2017 and detailed guidelines enclosed. The relevant forms are available on the website of the Finance Department for download. Annexure I to VII are for additional information relating to Scheme/Programme/Projects which will be sent to Planning Department.

2. With the merger of Plan and Non-Plan classification of expenditure from 2017-18 onward, the Budget Estimates comprise expenditure on Revenue and on Capital account including Loan and Advances. Broadly these components of expenditure have been classified in (i) Establishment and Obligatory Expenditure (ii) Government Schemes/Projects including Autonomous Bodies (iii) Centrally Sponsored Schemes and (iv) Other Expenditure. The departments are required to formulate the estimates under these components in the prescribed format.
3. While submitting Revised Estimates for 2018-19 and the Budget Estimates for 2019-20, the department will ensure that the Budget Estimates are submitted in the prescribed format separately for each category
4. Revised Estimates/Budget Estimates need to be formulated taking a realistic assessment of funds which are to be fully utilized by the department during the financial year. Some of the discrepancies which have continued to occur in framing of Budget Estimates by the departments are given below and it is requested that departments should take utmost care to avoid such recurring discrepancies:-
 - I. Estimation of budget under Object Head 'Salaries' is based on sanctioned establishment strength and scales of pay but some of the departments have failed to realistically assess the requirement of their funds under the Object Head 'Salaries' resulting in either substantial saving or additional requirement of funds. As per Appendix-IV of GFR 2017 estimated strength and provisions thereof is a schedule incorporated in Detailed Demands for Grants. Therefore, department will ensure that the statement containing sanctioned establishment strength and budget provisions therefor match with the other corresponding statements.
 - II. There have been instances when Supplementary Demands for Grants were taken by the departments to incur expenditure on certain schemes/sub-schemes attracting the provisions of New Service/New Instrument of Service or savings not available for Re-appropriation within the same section of Demand under their administrative control but actual utilisation of funds was less than the original Budget Estimates for the financial year. Therefore, while projecting the estimates, unnecessary provisions should be avoided. The Head of Department will ensure that the entire funds so projected will be utilised during the financial year and no saving is reported.

- III. It has also been noticed that Re-appropriations were taken by the departments but they were not able to utilise fully even their existing grants. There were also cases where the actual expenditure at the close of the financial year was found either in excess or short of the budget provisions.
- IV. The wide variations between the original Budget Estimates and the actual expenditure incurred lead to an obvious conclusion that the departments have not been able to properly anticipate/assess and project a realistic requirement of funds. Unrealistic assessment of funds is not conducive to a proper budgeting system and it invites adverse comments from Audit.
- V. Budget Estimates/Revised Estimates of a department means that projections are inclusive of all subordinate offices under their administrative control including the Autonomous Bodies/Grantee Institutions. Respective Head of Department shall obtain and assess the requirement of funds of Subordinate Offices/Grantee Institutions under its administrative control and a consolidated budget proposals submitted to the Finance Department. While doing internal assessment, necessary instructions may be issued to these Offices/Institutions that Budget Estimates/Revised Estimates should not be sent to the Finance Department directly. Budget proposals submitted directly by any such institutions will not be entertained and will be filed.
- VI. Budget proposals should be prepared only on the prescribed format of statement and should be signed by the Authorised Officer. Due care should be taken while preparing the Estimated Strength of Establishment and provisions thereof, Additional fund requirements proposed in Revised Estimates, Object Head wise and Major Head wise figure should match with the summary of budget provisions.
- VII. The figures of budgets provisions should be given in thousands of rupees only except where specifically mentioned otherwise. Total of Sub-Head / Minor-Head of the unit should match with the consolidated summary of Major Head.
- VIII. The proposal for opening of new head should contain the details of Major/Sub Major/Minor Heads details alongwith Sub-Head/Detailed Sub-Head and Object Head or the Primary Unit of Appropriation of expenditure. The approval of the schemes and other relevant documents should also be enclosed with the proposal.
- IX. The Statement No.10 relates to Non-Tax Revenues of the department. This information should be Major Head wise upto Minor Head of Accounts.
- X. A soft copy in excel sheet in respect of the provisions of Estimated Strength of Establishment and provision there for is also to be submitted in the prescribed format.
- XI. Form IXA to C contains information relating to item wise breakup of Office Contingency, Supplies and Materials and Other Charges. The figures of these statements should match with statement of consolidated provisions.
- XII. Proposals for implementation of Centrally Sponsored Schemes are submitted to the Nodal Ministry in Government of India by the departments. Making necessary budget provisions under the Receipt & Expenditure in corresponding functional head is the responsibility of the department concerned. It has been observed that necessary budget provisions are not made by the departments resulting in delay in implementation of schemes.

5. Lump-sum budget provisions are subject to instructions under Object Class 5 (Other Expenditure) GID (1) below Rule 8 of DFPR 1978. Departments are well aware of items of work or Object Class of expenditure which are to be taken up under a scheme/programme. In spite of this, it has been observed that the departments have not provided the bifurcations of lump-sum budget under different object class of expenditure or due care has not been taken while bifurcating lump-sum budget provisions under other objects class of expenditure. To avoid unnecessary Supplementary and delay in implementation of a scheme/programme department should ensure appropriate action for classification of expenditure while formulating budget estimates.

6. Accounting and Classification of Expenditure of Grant-in-aid is in three component i.e. Grants-in-aid-General, Grants for creation of Capital Assets and Grants-in-aid-Salaries. The departments will provide information relating to the Grants-in-aid in these components only with realistic requirement of funds under each Object Head.

7. Budget proposals under Centrally Sponsored Schemes (CSS) are to be submitted in a separate Statement. Proposal for opening of new head, if any, should be accompanied by Object Head(s) of expenditure and provision there under and other relevant documents.

8. To facilitate the monitoring of expenditure on Information & Technology a common standardized Detailed Sub-Head (Sub-Scheme) - 99 has been provided for booking of expenditure. All the departments have been informed from time to time to ensure that for classification of expenditure on Information & Technology appropriate action should be taken for opening of Detailed Sub-Head 99 in their demands. In spite of these instructions, the department incurring expenditure on Information & Technology has not been making provisions for the same. Departments may please ensure that Detailed Sub-Head (Sub-Scheme) - 99 is available in their demand for incurring expenditure alongwith budget provision under appropriate Object Head.

9. Integrated Financial Advisors (IFA) are posted/attached with all the departments. All budget proposals should be got examined from IFA before submission to Finance Department.

10. The name and designation of the Authorized Officer who may be contacted for any information/clarification on budget proposals should be intimated alongwith his Mobile/ Landline Number.

11. The Revised Estimates 2018-19 and Budget Estimates 2019-20 may please be sent to the Joint Secretary Finance (Budget). A set of budget proposal relating to schemes/programmes/projects alongwith 07 formats (Annexure I to VII) for additional information may please be sent to Director (Planning), GNCT of Delhi, Delhi Secretariat, New Delhi. Budget proposals should reach in the Finance (Budget) Department and Planning Department on or before 10.10.2018 positively.

12. The pre-budget/RE meetings will start from mid-October 2018 for which the dates and time will be communicated separately.


(Renu Sharma)

Principal Secretary (Finance)

Encls. As above.

1. All Principal Secretaries/Secretaries/Head of Departments, GNCT of Delhi.
2. The Director (Planning) Department, GNCT of Delhi.

Copy for information to the:-

- Chief Secretary, GNCT of Delhi.
- Secretary to Lt. Governor, GNCT of Delhi.