CASH MANAGEMENT SYSTEM IN CENTRAL GOVERNMENT – MODIFIED
EXCHEQUER CONTROL BASED EXPENDITURE MANAGEMENT

1. Please find enclosed Ministry of Finance, Department of Economic Affairs (Budget Division) Office Memorandum No 12(13)-B(W&M)/2020 dated 8th April, 2020.

2. As per Min of Fin OM mentioned above, the existing guidelines for expenditure control have been reviewed. Keeping in view the present situation arising out of COVID 19 and the consequential lock down, it is expected that the cash position of Government may be stressed in Q1 (April to June, 2020) of 2020-21. Considering this it is essential to regulate the Government Expenditure and to fix the Quarterly Expenditure Plan (QEP)/ Monthly Expenditure Plan (MEP).

3. In view of above, all Chief Engineers, Commands and ADGs are requested to strictly adhere to the Government Guidelines in respect of the following Category mentioned in Min of Fin OM:

<table>
<thead>
<tr>
<th>Category</th>
<th>Demand No</th>
<th>Ministry / Department</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>'B'</td>
<td>19</td>
<td>Defence Services</td>
<td>Restrict over all expdr within 20 % of BE 2020-21 in Quarter 1 (Apr-Jun, 2020)</td>
</tr>
<tr>
<td>'B'</td>
<td>20</td>
<td>Capital Outlay on Defence Services</td>
<td>Restrict over all expdr within 20 % of BE 2020-21 in Quarter 1 (Apr-Jun, 2020)</td>
</tr>
</tbody>
</table>

4. Further, IHQ, MoD (Army), Dte Gen of Financial Plg vide their letter No 88896/Gen/GS/FP-2 dated 31 Mar 2020 (copy enclosed) have intimated that the demand for Grants for FY 2020-21 in respect of Army Budget has been voted by the Parliament without any reduction and concerned Appropriation Bill has also been assented by the President. Hence, allocation made as Prov BE will be treated as Final BE Allocation and will now be available in full.

5. You are requested to disseminate to all concerned with directions to plan expenditure accordingly.

(V L Renga Hriller)
Dy Dir Gen
E-5 (Budget)
For E-in-C
INTEGRATED HQ OF MoD (ARMY)/GENERAL STAFF BRANCH
(DIRECTORATE GENERAL OF FINANCIAL PLANNING)

CONFIRMATION OF BUDGET ESTIMATES (BE) FOR THE EXPENDITURE OF THE ARMY FOR FY 2020-21 (DEMAND NO- 19 AND 20)

1. Refer DGFP/FP-2 Note of even No dt 13 Mar 2020 vide which Provisional BE for FY 2020-21 was issued and even letter No dated 31 Mar 2020.

2. The demands for Grants for FY 2020-21 in respect of Army Budget has been voted by the Parliament without any reduction and concerned Appropriation Bill has also been assented by the President on 25th Mar 2020. The corresponding Act has been published in the Gazette of India, Extra-Ordinary, Part II, Section I, dated 25th March 2020 as Act No 6 of 2020.

3. With immediate effect, the allocations made as BE 2020-21 vide our Note under reference will be treated as Final BE Allocation and will now be available in full.

4. As full Budgetary Allocation for BE FY 2020-21 is now available, Budget Holders are requested to disseminate this information to all the users forthwith.

CoAS Sectt
VCOAS Sectt

Distribution:-
MoD (Fin/ Bud-I) MoD (Fin)/Dir(Q) PIFA (O)
MoD (Fin)/Dir (O) MoD (Fin)/Dir (Fin/Acq) MoD (Fin)/Dir(Wks)
MoD (Fin)/Dir (Acq) IFA Capital MoD (Fin)/Dir(GS)
PIFA(OF) PIFA Army (M) MoD (Fin)/DFA(AG)
PIFA 0 IFA (Q)

For info please.

(Maj Gen Singh)
Lt Col
GSO-1, FP-2
AG Budget
DG IS/DDG IT
DG MAP
Military Farms – 3
GS Mov Plg/ADG Mov
Q3 (Land)/LWE
EME (Fin)
ESP-1
HQ ARTRAC (ST)
DCOAS (IS&T) Budget Cell
Arty-1/ DG Arty
Inf-1/ DG Inf
AA-1(Coord)
AG/PM
MI-20
DG Resettlement
CW-1/AG
CAO (FMG)
DG 3D/DGAFMS
MoD (HMI)
NDC
AA-3
Mil Svy/GSGS
Security Office
Army HQ Camp
Mat Studies & CUNPK
HQ IDS (FP)
DGDS/DGAFMS
MO(IS)/DGMO
Kendriya Sainik Board
West Block-IV,
RK Puram -
New Delhi – 110 060

QMG Budget Cell
DG RR
DGMS (Army)
RV Dte
ST-17B
Q3Works (Policy)/LWE
OS-20
DG 2C/DGAFMS
Mil Farms – 5
AA-4
Sig 2(c)
Pnr Dte/Pnrs-2
AA-23
Historical Section (MoD)
WE-1
CAO (Trg)/DHTI
DG-1C/DGAFMS
MoD (Sainik School)
DPR
ABH Mess
DG 1D/DGAFMS
AA-2
ADG Adm & Coord
Arty-3/DG Arty
PMO Suraj
MT-1
CAO/A-2(B)
CNA Coord
DGDS
OS-1D

MGO Budget Cell
ECHS
MGO (Avn)
TA-3
E-5 (Budget/E-in-C
MIFD
OS-28
HQ ARTRAC (TT)
HQ ARTRAC (P&D)
DG 2(P)lg/DGAFMS
Mech Inf Cell
Comb Engr-6/E-in-C Br
Army AD (Coord)

HQ Southern Command (GS/FP)
HQ Western Command (GS/FP)
HQ Eastern Command (GS/FP)
HQ ARTRAC (GS/FP)

HQ Central Command (GS/FP)
HQ Northern Command (GS/FP)
HQ South Western Command (GS/FP)

CGDA, Ulan Batar Road, Palam, Delhi Cantt - 110010
DGADS, 'L-2' Block, New Delhi - 110011
PCDA, 'G' Block, New Delhi - 110011
PCDA, (Factories), 10-A, Shaheed Khudiram Bose Road, Kolkata - 300001
PCDA, Southern Command, No-I, Finance Road, Pune - 411001
PCDA, Western Command, Sector-9C, Chandigarh - 160009
PCDA, Central Command, Cariappa Road, Near Rly Stn, Lucknow Cantt - 226002
PCDA, Northern Command, Narwal Payin, Satwari, Jammu - 180003
CDA Eastern Command, Rajendra Path, Patna - 800019
CDA South Western Command, Khatipura Road, Jaipur - 302022
CDA Bangalore, 107, Lower Agram Road, Agram Post, Bangalore - 560007
CDA Jabalpur, Ridge Road, Jabalpur - 482001
CDA Chennai, 618, Anna Salai, Teynampet Chennai - 400018
CDA Guwahati, Udayan Vihar Narangi, Guwahati - 781171
CDA CDA (Army) Meerut, Ayudh Path, Meerut Cantt - 250001
CDA (0), Pune, Golibar Maidan, Pune - 411001
CDA Secunderabad, No-I Staff Road, Secunderabad - 500009
Area Accounts Office, T-16, Tigris Road, Delhi Cantt, Delhi - 110010

Internal : FP-1, FP-3, FP-4 (for upload in Intranet)
OFFICE MEMORANDUM

Subject: Cash Management System in Central Government - Modified Exchequer Control Based Expenditure Management.

Attention of Ministries/Departments is drawn to this Ministry's O.M. issued under F.No.15(39)-B(R)/2016 dated 21.8.2017 regarding modified exchequer control based expenditure management under Cash Management System in Central Government.

2. The existing guidelines for expenditure control have been reviewed. Keeping in view the present situation arising out of COVID-19 and the consequential lock down, it is expected that the cash position of Government may be stressed in Q1 (April to June, 2020) of 2020-2021. Considering this, it is essential to regulate the Government expenditure and to fix the Quarterly Expenditure Plan (QEP)/Monthly Expenditure Plan (MEP) of specific Ministries/Departments in the following manner.

(i) **Category A:** Ministries/Departments of the following Demands/Appropriations will be governed by the extant MEP/QEP guidelines –

(a) Demand No.1 – Department of Agriculture, Cooperation and Farmers' Welfare;
(b) Demand No.4 - Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy;
(c) Demand No.7 – Department of Pharmaceuticals;
(d) Demand No.8 – Ministry of Civil Aviation;
(e) Demand No.14 – Department of Consumer Affairs;
(f) Demand No.15 – Department of Food & Public Distribution;
(g) Appropriation No.35 – Interest Payments;
(h) Demand No.38 – Transfers to States;
(i) Demand No.42 – Department of Health and Family Welfare;
(j) Demand No.43 – Department of Health Research;
(k) Appropriation No.66 – Supreme Court of India;
(l) Appropriation No.74 - Central Vigilance Commission;
(m) Appropriation No.78 - Staff, Household and Allowances of the President;
(from pre-page)

(n) Appropriation No.82 – Union Public Service Commission;
(o) Demand No.83 – Ministry of Railways;
(p) Demand No.85 – Department of Rural Development; and
(q) Demand No.97 – Ministry of Textiles.

(ii) **Category B:** Ministries/Departments of the following Demands will require to restrict the overall expenditure within 20% of BE 2020-2021 in Quarter 1 (April to June, 2020) –

(a) Demand No.2 - Department of Agricultural Research and Education;
(b) Demand No.6 – Department of Fertilizers;
(c) Demand No.12 – Department of Posts;
(d) Demand No. 19 – Defence Services (Revenue);
(e) Demand No.20 – Capital Outlay on Defence Services;
(f) Demand No.21 – Defence Pensions;
(g) Demand No.26 – Ministry of External Affairs;
(h) Demand No.29 – Department of Financial Services;
(i) Demand No.31 – Department of Revenue;
(j) Demand No.32 – Direct Taxes;
(k) Demand No.33 – Indirect Taxes;
(l) Demand No.34 – Indian Audit and Accounts Department;
(m) Demand No.37 – Pensions;
(n) Demand No.38 – Department of Expenditure;
(o) Demand No.46 - Ministry of Home Affairs;
(p) Demand No.47 - Cabinet;
(q) Demand No.48 - Police;
(r) Demand No.49 – Andaman and Nicobar Islands;
(s) Demand No.50 - Chandigarh;
(t) Demand No.51 – Dadra and Nagar Haveli and Daman and Diu;
(u) Demand No.52 - Ladakh;
(v) Demand No. 53 - Lakshadweep;
(w) Demand No.54 – Transfers to Delhi;
(x) Demand No.55 - Transfers to Jammu and Kashmir;
(y) Demand No.56 – Transfers to Puducherry;
(z) Demand No.65 – Election Commission;
(aa) Demand No.75 – Ministry of Petroleum and Natural Gas;
(bb) Demand No.79 – Lok Sabha;
(cc) Demand No.80 – Rajya Sabha;
(dd) Demand No.81 – Secretariat of Vice President;
(ee) Demand No.84 – Ministry of Road Transport and Highways;
Note: The monthly expenditure may be kept at 8% of BE 2020-2021 for the first month and at 6% each of BE 2020-2021 for the last two (2) months of Quarter1 (April to June, 2020).

(iii) **Category C**: Ministries/Departments of the following Demands will require to restrict the overall expenditure within 15% of BE 2020-2021 in Quarter1 (April to June, 2021) –
(a) Demand No.3 – Atomic Energy;
(b) Demand No.5 - Department of Chemicals and Petrochemicals;
(c) Demand No.9 - Ministry of Coal;
(d) Demand No.10 - Department of Commerce;
(e) Demand No.11 - Department for Promotion of Industry and Internal Trade;
(f) Demand No.13 – Department of Telecommunications;
(g) Demand No.16 – Ministry of Corporate Affairs;
(h) Demand No.17 – Ministry of Culture;
(i) Demand No.18 – Ministry of Defence (Civil);
(j) Demand No.22 - Ministry of Development of North Eastern Region;
(k) Demand No.23 – Ministry of Earth Sciences;
(l) Demand No.24 - Ministry of Electronics and Information Technology;
(m) Demand No.25 - Ministry of Environment, Forests and Climate Change;
(n) Demand No.27 – Department of Economic Affairs;
(o) Demand No.30 - Department of Investment and Public Asset Management;
(p) Demand No.39 - Department of Fisheries;
(q) Demand No.40 - Department of Animal Husbandry and Dairying;
(r) Demand No.41 - Ministry of Food Processing Industries;
(s) Demand No.44 – Department Heavy Industry;
(t) Demand No.45 - Department of Public Enterprises;
(u) Demand No.57 - Ministry of Housing and Urban Affairs;
(from pre-page)

(v) Demand No.58 - Department of School Education and Literacy;
(w) Demand No.59 - Department of Higher Education;
(x) Demand No.60 - Ministry of Information and Broadcasting;
(y) Demand No.61 - Department of Water Resources, River Development and Ganga Rejuvenation;
(z) Demand No.62 - Department of Drinking Water and Sanitation;
(aa) Demand No.63 - Ministry of Labour and Employment;
(bb) Demand No.64 - Law and Justice;
(cc) Demand No.67 - Ministry of Micro, Small and Medium Enterprises;
(dd) Demand No.68 - Ministry of Mines;
(ee) Demand No.69 - Ministry of Minority Affairs;
(ff) Demand No.70 - Ministry of New and Renewable Energy;
(gg) Demand No.71 - Ministry of Panchayati Raj;
(hh) Demand No.72 - Ministry of Parliamentary Affairs
(ii) Demand No.73 - Ministry of Personnel, Public Grievances and Pensions;
(jj) Demand No.76 - Ministry of Planning;
(kk) Demand No.77 - Ministry of Power;
(ll) Demand No.86 - Department of Land Resources;
(mm) Demand No.87 - Department of Science and Technology;
(nn) Demand No.88 - Department of Biotechnology;
(oo) Demand No.89 - Department of Scientific and Industrial Research;
(pp) Demand No.90 - Ministry of Shipping;
(qq) Demand No.91 - Ministry of Skill Development and Entrepreneurship;
(rr) Demand No.92 - Department of Social Justice and Empowerment;
(ss) Demand No.93 - Department of Empowerment of Persons with Disabilities;
(tt) Demand No.94 - Department of Space;
(uu) Demand No.95 - Ministry of Statistics and Programme Implementation;
(vv) Demand No.96 - Ministry of Steel;
(ww) Demand No.98 - Ministry of Tourism;
(xx) Demand No.99 - Ministry of Tribal Affairs;
4. Items of large expenditure would continue to be governed by the guidelines issued by this Ministry's O.M. F.No.12(39)-B(R)/2016 dated 21.8.2017. Ministries/Departments are advised to observe the guidelines strictly and regulate the expenditure accordingly in the current fiscal. Any deviation from this guideline would require prior approval from Ministry of Finance.

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

Cabinet Secretary, Government of India;
Comptroller & Auditor General of India;
Secretaries of all Ministries/Departments;
Secretary (Defence Services), Ministry of Defence;
Financial Commissioner, Ministry of Railways;
Member (Finance), Department of Telecommunications;
Controller General of Accounts, Ministry of Finance, Department of Expenditure; and
Financial Advisers/Pr.CCAs/CCAs of all Ministries/Departments.