



FINANCE DEPARTMENT
GOVERNMENT OF SIKKIM
SECRETARIAT, BLOCK-B
GANGTOK

No. GOS/ FIN/ ADM/06

Dated: 01/10/2021

OFFICE MEMORANDUM

SUBJECT: Expenditure Management- Economic Measures and Rationalization of expenditure

Fallout of Covid- 19 pandemic has severely impacted the collection of revenue from various sources of the State. With a view to contain non- developmental expenditure and for release of resources for priority schemes, the State Government through Finance Department has been issuing austerity instructions from time to time as an effort to address economic fallout of the pandemic. Such measures are intended at promoting fiscal discipline, without restricting the operational efficiency of the Government.

Therefore, there is a need to continue to rationalize expenditure and optimize the available resources. With this objective, the following austerity measures for fiscal prudence and economy will come into immediate effect for the remaining part of the financial year 2021-22:

1. Cut in Revenue Expenditure

- i. There shall be mandatory 50% cut under all Revenue Expenditure except for Salary, Wages, Pension, Interest payment, Repayment of debt, Purchase of medicines, Centralized Purchase of Dietary Materials, Animal Feed and State Share for various Centrally Sponsored schemes/ projects
- ii. Re-appropriation of fund to augment the revenue expenditure, on which cuts have been imposed, shall not be allowed.
- iii. Release of Grants -in- Aid to the Organizations/ Associations/ Public Sector Undertakings, etc. shall be restricted to salary, wages and POL only.
- iv. The transfer of fund to RLBs and ULBs (Under 5th State Finance Commission), Boards and PSUs other than salaries shall be regulated by Finance Department.
- v. Discretionary Grants of Honourable Ministers shall be restricted to 50% and Discretionary Grants of Zilla and Gram Panchayats shall be deferred.

2. Repair, Replacement and purchase of vehicle/* (Including Motorcycles), Computers and Peripherals, Furniture, Fixture and Furnishing.

- i. There will be a complete ban on replacement and purchase of vehicles, computers and peripherals, furniture, fixture and furnishing.
- ii. There will be a complete ban on major repairs of vehicles.

3. Expenditure on Minor Works

Expenditure on Minor works will be restricted to water supply, electricity, fire and other emergency services only.

4. Payment of Liabilities

There will be a ban on payment of pending liabilities, other than liability created for emergency services.

5. Drawal of Tour fuel

- i. There shall be no drawal of tour fuel. However, if the expenditure is incorporated within the scope of the guidelines of the CSS/CS schemes/projects, the same is admissible.
- ii. Drawal of POL for commercial vehicles under Transport Department should be rationalized, subject to concurrence of Finance Department.

6. Domestic and Foreign Travel

There is ban on domestic and foreign travel. However, this is not applicable if such tour is for implementation of Centrally Sponsored Scheme/ project and its expenditure is within the purview of the said scheme/ project.

7. Seminar and Conferences

- i. Utmost economy shall be observed in organizing conferences / seminars/ workshops/ meetings. Prior concurrence of Finance Department may be obtained for conferences / seminars/ workshops/ meetings, which are absolutely essential.
- ii. Holding exhibitions/ fairs/seminars/ conferences/ meetings outside the State and abroad is completely banned.
- iii. There will be a complete ban on hosting of official reception in Hotels/ Resorts and serving of refreshments during meetings/ Seminars, etc. However, in exceptional circumstances, prior concurrence of Finance Department is required.

8. Creation of Posts and Cadre Review

Creation of New Posts and Cadre Review shall be put on hold.



9. Advertisement/ Publication of Notice Inviting Tender

- i. There shall be no publication and advertisement of any kind in local and national newspapers.
- ii. The advertisement which is mandatory in the local papers and national papers shall be submitted to the Finance Department for examination and concurrence. The department shall utilize the State and Departmental Web Portal for such advertisement, NIT., etc.

10. Contingency and Administrative Charges

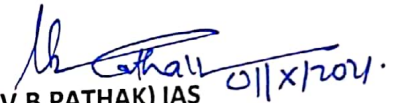
All contingency provisions in the ongoing works shall not be utilized for any purpose.

COMPLIANCE

All the Heads of the Departments are fully responsible for ensuring compliance of the measures outlined in the Office Memorandum. The Financial Advisors shall assist the respective HODs in securing compliance with these measures.

It may be noted that the liabilities created during the period of enforcement of Austerity Measures will not be entertained for payment in future or any reason whatsoever.

This issues with the approval of the Government.


(V.B.PATHAK) IAS

ADDITIONAL CHIEF SECRETARY
FILE NO. 1(55)2021-22/BUD/FIN

Memo No 53-66/ Fin/Adm

Dated 01.10.2021

Copy to:

- 1) Secretary to Hon'ble Governor of Sikkim
- 2) Secretary to Hon'ble Chief Minister, Government of Sikkim
- 3) Private Secretary to all Hon'ble Ministers, Government of Sikkim
- 4) Staff Officer to Chief Secretary- Government of Sikkim
- 5) P S to all Additional Chief Secretary
- 6) All Heads of Departments
- 7) Principal Director, Treasury, Pay & Accounts office (HQ)
- 8) Registrar General of High Court of Sikkim
- 9) Principal Accountant General of Sikkim, Lekha Pariksha Bhawan, Deorali
- 10) All District Collectors, East/West/South/North
- 11) Pay & Accounts Offices, East/West/ North/ South
- 12) All Officers of Finance Department
- 13) Deputy Director (IT) for publication in website
- 14) Office Copy & Guard file.