

**OFFICE OF THE BUDGET AND FINANCE OFFICER,
DELHI URBAN SHELTER IMPROVEMENT BOARD
ROOM No-45, PUNERWAS BHAWAN, I.P.ESTATE, NEW DELHI;-110002**

No:-DCA-III/BFO/DUSIB/2013-14/D-06

Date:- 26.04.2016

CIRCULAR

Subject: General instruction regarding booking of Budget and incurring Expenditure.

It has been observed that the various Divisions of DUSIB could not utilize their entire budget allocated for plan schemes during the financial year and that finance department of DUSIB has to seek permission from Government every year for using the unspent funds of previous year during the ensuing financial year. It is a cumbersome procedure and takes time to obtain approval of Planning and Finance Department of Government of NCT of Delhi.

Further, it has also been noticed that this is mainly on account of the fact that funds as per BE are received in the month of May and June. The preliminary estimates (PE) for any work as per action plans are held up at divisional level in the absence of allocation and availability of funds. Similarly, approval for the revised budget estimates is normally received during the month of February of the financial year and a major portion of funds are also being released during the month of March by the Delhi Govt. By the time the revised budgets are allocated, there is no time left to complete the tendering formalities and award the works for execution and there by utilizing the budget.

The Rule 129 of GFR 2005 envisaged that no works shall commence or liability incurred until funds to cover the expenditure during the relevant year have been provided. Yet to ensure proper booking of expenditure and to minimize unspent funds, it has been decided that the divisions concerned shall strictly adhere to the following additional formalities apart from complying all the relevant rules and provisions contained in GFR, CPWD Manual-III and CPWD Work Manual in this regard:-

- 1) To accord expenditure sanction to the extent of 50% over and above the allocated budget.
- 2) To award works / commit liability to the extent of 50% over and above the allocated budget subject to the condition that the overall total of such committed liability shall not exceed the total budget allocation at the end of the financial year.
- 3) The divisional accountant shall keep a proper watch of the budget booking at the time of according expenditure sanction and also at the time of awarding of works/creating committed liabilities. The records for both of the above shall be kept separately.

K. S. Datta
26/4/16

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- 4) The divisional accountant shall send a summary of the expenditure sanction accorded by him during the month to the ACA concerned by 2nd of following month. The ACA will consolidate such reports at circle level by adding the expenditure sanctioned accorded by him and send the summary to the FO to CE who after consolidating the report of concerned Zone and submit the same to the AO (Plan) by 7th of following month for further consolidation and submission to higher authorities through DCA concerned.
- 5) Attention of CE/SE's/Divisional Engineers is invited to the need for ensuring that expenditure, under plan and non-plan, is evenly spread throughout the financial year. **Rule 56(3) of GFR, 2005 stipulates in unambiguous terms that rush of expenditure particularly in the closing months of the financial year shall be regarded as breach of financial propriety and shall be avoided.** So in the spirit of above rule positions, Divisions will incur expenditure on proportionate basis throughout the year. There shall not be any rush either for financial concurrence of the proposal or demand of fund at the fag end of the financial year i.e. in the month of March.
- 6) Finance will released funds as per demand received and availability of fund at their end.
- 7) All the ACA's /AAO's /Divisional Engineers will maintain a guard file to keep all the instructions/circulars issued from time to time.
- 8) The above instructions may please be brought to the notice of all concerned for strict compliance.

This issue with the approval of CEO, DUSIB.

K. S. S.
26/4/16
Budget and Finance Officer

To Executive Engineers
To All ACA's/AO's/AAO's

Copy for information to:-

1. PS to CEO, DUSIB
2. Member (Engineering)
3. Member (Finance)
4. Member (Power)
5. All SE's
6. All DCA's
7. AO(Plan) and AO(HQ)
8. AO Internal Audit to keep a watch at the time of conducting internal audit of the unit.